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**THE CUBAN LIBERTY AND  
DEMOCRATIC SOLIDARITY  
(LIBERTAD) ACT OF 1995**

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Y 4. IN 8/16:C 89/10

The Cuban Liberty and Democratic So...

**HEARING**  
BEFORE THE  
SUBCOMMITTEE ON  
THE WESTERN HEMISPHERE  
OF THE  
COMMITTEE ON  
INTERNATIONAL RELATIONS  
HOUSE OF REPRESENTATIVES  
ONE HUNDRED FOURTH CONGRESS  
FIRST SESSION

MARCH 16, 1995

Printed for the use of the Committee on International Relations



SEP 12 1995

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## THE CUBAN LIBERTY AND DEMOCRATIC SOLIDARITY (LIBERTAD) ACT OF 1995

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THURSDAY, MARCH 16, 1995

HOUSE OF REPRESENTATIVES,  
COMMITTEE ON INTERNATIONAL RELATIONS,  
SUBCOMMITTEE ON WESTERN HEMISPHERE,  
*Washington, DC.*

The subcommittee met, pursuant to call, at 10:40 a.m., in room 2200, Rayburn House Office Building, Hon. Dan Burton (chairman of the subcommittee) presiding.

Mr. BURTON. If we could take our seats. I apologize for the delay. I want to thank the Radio Marti people for fixing the sound system. Evidently the engineers that work for the U.S. Capitol do not know where this room is. We have been raising Cain, trying to get them up here, and they did not show up; so Radio Marti, thank you very much. We really appreciate it.

I would like to welcome all of you here today to our subcommittee on hearing H.R. 927, and the U.S. embargo on Cuba. This subcommittee, in a bipartisan fashion, supports the embargo as a part of a policy designed to bring freedom to the people of Cuba, thus ending their 36-year long nightmare.

I believe that I speak for my colleagues when I say that the embargo is a tool of democracy. It is an expression of faith and solidarity with the people of Cuba who have suffered for far too long. It is completely within the power of Fidel Castro to bring an end to the embargo. The markers are clearly laid out, and they are not all that difficult to achieve. All it would take for the embargo to be lifted is for Castro to allow free elections in Cuba and to respect human rights in the post-cold war world. These are elementary steps.

Yet it is quite clear that the Castro regime has no intention of meeting even these basic conditions. Even Time Magazine, in what was otherwise a revolting puff piece on Castro, recently conceded that Fidel is sticking to his guns.

The United Nations Human Rights Commission recently voted yet again by a tally of 24 to 8 to investigate continuing human rights abuses by the Castro regime. This past weekend at the International Summit on Poverty, Castro once again voiced his contempt for free market principles and freedom. The minimal economic adjustments that the Castro regime has undertaken to attract foreign investment are clearly aimed at acquiring the foreign currency so desperately needed to perpetuate Castro's dictatorship.

It is very disappointing that our friends in Mexico, Canada, Spain and elsewhere are attempting to cash in on Cuba's misery



with no regard for the interests of the Cuban people. For our part, we intend to maintain our commitment to promoting democracy in Cuba. We intend to make sure that this administration does not weaken its resolve or do anything that can be perceived as relaxing the embargo on the Castro dictatorship.

We were therefore stunned and angered last week when a story in the *Washington Post* revealed that the administration was considering revoking several of the embargo-related restrictions. Our brave colleague, and I mean that sincerely, Bob Menendez, of New Jersey, went so far as to call for the resignation of Morton Halperin of the NSC, who is known to advocate relaxing the embargo. Several of us on this subcommittee echoed Congressman Menendez request.

[The article appears in the appendix.]

I hope the administration will be able to reassure us today of its steadfast commitment to keeping the embargo in force in its entirety. And I can assure the administration that any relaxation of the embargo or of the pressure will be opposed vigorously by this subcommittee. I also hope the administration will announce its support for our bill, the Cuban Liberty and Democratic Restoration Act, which was also introduced in the Senate by Senator Helms.

A unified and bipartisan approach on this front will send a clear, unmistakable signal to Fidel Castro that we are more determined than ever to help the Cuban people achieve their democratic rights and freedom.

Thank you, and with that I will be happy to yield to my ranking member, Bob Torricelli.

MR. TORRICELLI. Thank you, Mr. Chairman, very much, and thank you for your prompt attention in bringing this legislation before the committee.

We have reached a decisive moment in the struggle for the freedom of the Cuban people. And the international community is being sharply divided into two very different strategies for dealing with the unfolding events in Cuba.

There are those in the international community who believe that no matter how great the suffering, or how long the deprivation of freedom, that Cuba is an economic opportunity. The best course of action for their country is to take advantage of this moment, to realize profits, and to take advantage of the suffering of the Cuban people.

In the United States, we have pursued a decisively different strategy. It our own belief that it would be unconscionable to take advantage of the labor, the misery of the Cuban people for financial advantage, where they have waited and struggled for so long for their own freedom.

We have placed on the road to normalization of relations with the Cuban Government a single identifiable obstacle. The moment there is a free and fair election in Cuba then everything that has been impossible will be possible. I know that many are frustrated because the international community has not come to our side as we might have hoped and even expected. To me, that is a point of considerable pride.

We must in the final analysis be the only country still prepared to forego economic opportunities because of the strength of ideas,



that our commitment to the Cuban people is so much greater than our commitment to our own search for profits, then so be it. But I believe in time, as the international community comes to understand, that there is nothing left of the Cuban Revolution but the brutality, the suffering, the loss of basic rights, and those who have fought for freedom for themselves in their own countries and believe in democratic governments for their own regions will understand that Latin America generally, and Cuba, in particular, deserves no less.

Mr. Chairman, only a few days ago, ironically and tragically near the fiftieth anniversary of the liberation of Europe from fascism, the French President hosted Fidel Castro in Paris. It was a striking statement about the values of French foreign policy, the dominance of their own economic interests over their affection for the liberties of other people.

It also was an important statement about how European powers who for so long pursued colonialism over the freedom of other peoples still have different standards. In Europe, they would insist upon the highest standard for human rights, basic freedoms and democratic governments, but in Latin America it is all right to have a dictatorship for 30 years, to imprison people, to deny basic freedom of speech or religion. For Latin America, there is a different standard, something that in Europe would never be tolerated.

Our European friends should at least know that while they pursue their own policies we understand them for what they are. We recognize the difference. And every person in Latin America should be appalled.

Mr. Chairman, this legislation means many things. I hope to those within Cuba, who are making their own personal judgments whether to take a stand, become part of the fight for freedom, or simply accommodate Castro for another few years, that they recognize this. As bad as things have gotten, as decisive as American foreign policy has been, we not only have not given up, we have really only begun. We will be back every week, every month, every year, to find every possible new means to strengthen the embargo, to strengthen American resolve, and to end this dictatorship.

The ranks of our supporters in the Congress have not only not lessened, they have increased. What little opposition we had is now less. The division between the political parties has eroded. Differences between the Congress and the administration are narrow. There is one policy in the United States of America: Fidel Castro will be removed. It will be sooner rather than it will be later, but it will be done.

So to all those in the Cuban military, those who find their futures now in the Communist Party, we say to you again: The past is the past. The future is the future. There is every opportunity for every citizen in Cuba, save two, Fidel and Raul, to join the forces of freedom. This embargo ends the day there is a free election, and there is no one, no matter what their mistakes in following a false ideology, who can still not become a hero of freedom.

This legislation, Mr. Chairman, makes that all the more clear. I hope that those in the international community who were making good business judgments, and unfortunately failed to rally to the

cause of freedom, will understand its two most important provisions. You can seek to profit by the nationalization of American property. You can seek to purchase or rent or otherwise exercise control over the property that has been seized or stolen from American citizens. These things you may do in your own conscience. But you will not do so and have access to the United States of America.

You can stay in your own country, comforted with your own stolen property, but you will not do business here. And you can purchase from the confiscated sugar properties of Cuba, and the slave labor of the Cuban people the product of Castro's regime. But your country will not enjoy the same trade privileges as those nations who do respect the law and do respect human rights.

There are many provisions in this bill. Those two are an important new contribution. Perhaps, Mr. Chairman, the real measure of our strength of conviction, the ultimate message to the Castro dictatorship, this time will not be simply this legislation will be passed, as I know it will be passed, but the margin of victory and the speed of its adoption by holding this hearing so close to the date of introduction of this legislation, you make an important statement to the Castro government and those who doubt our resolve about our true intentions for the future.

Thank you, Mr. Chairman.

Mr. BURTON. Thank you for that excellent statement, Mr. Torricelli.

I would like to say to my colleagues if we could keep our opening statements relatively short because we have three panels of witnesses and we are behind schedule.

So with that I would be happy to yield to Ms. Ros-Lehtinen for opening comments.

Ms. ROS-LEHTINEN. Thank you so much, Mr. Chairman. I first want to thank you for your leadership in moving this legislation as promptly as possible through the Congress. The timely scheduling of this hearing today shows your determination to rid the Cuban people of the subjugation they have suffered for 36 years under the hands of Fidel Castro.

Mr. Chairman, today we embark on the beginning of a new journey to help the enslaved people of Cuba end their nightmare. For too long Cubans have been denied their most basic human and civil rights all because of one man, Fidel Castro: a man who believes that reform means shedding his military garb in favor of a suit and tie. Although he might fool some, we know that even though he might be wearing new clothing, the man inside the clothing remains the same: the most repressive and brutal dictator that this hemisphere has ever known.

Cuba under Fidel Castro remains a bastion of tyranny where political persecution and fear are a part of the daily life for the people of Cuba. The examples are many. We have all heard of the sinking of the tugboat this summer, or of the arbitrary arrest of dissidents which have claimed over 600 political prisoners in 1994, and we can only imagine others who have been touched by the long arm of Castro's tyranny, but whose silent cries for help have not yet been heard.

Ironically, Castro has turned toward foreign capitalists to salvage his failed Communist regime. These unscrupulous investors

are now heading to Cuba to make a quick profit, while never giving a second thought to the suffering of the people of the island. To those investors and to those around the world, as most recently represented by the French President who would fraternize with Castro rather than condemn and ostracize him, we must remind them of the words of Jose Marti, "Man is not free to watch impassively the enslavement and the dishonor of men, nor their struggles for liberty and honor."

Unfortunately, it is from these impassive observers that Castro is preserving his tyranny. It is because of the unabated repression by Castro that we must continue to support the Cuban people through legislation such as the Cuban Adjustment Act, which allows us to begin a new life full of opportunity and freedom here in the United States, while maintaining our strong stance to eliminate the regime.

The reasons that brought upon the Cuban Adjustment Act still remain unchanged. Thus, its repeal, as some are now suggesting, is premature and highly improper. This legislation, the Helms-Burton bill that we begin considering today, signals that we are not standing by as impassive onlookers. It signals that we are confronting Castro and demanding that freedom reach the people of Cuba. The Helms-Burton bill answers those cries of freedom heard daily by the citizens of Cuba and those calls for liberty which can still be heard from the camps of Guantanamo.

And, Mr. Chairman, once again, I ask that this subcommittee take a strong position on U.S. companies that are dealing with Fidel Castro. In this article from the Wall Street Journal Business Travel, in the rush by U.S. hotel companies preparing to enter Cuba, Days Inn appears to be a step ahead. "We have identified about 12 properties we consider suitable to carry our banner," said John Russell, president of Days Inn, "and once relationships are normalized between the U.S. and Cuba, we would be ready to go." Without commenting on the fate of President Fidel Castro of Cuba, Mr. Russell predicted that, "Normalization would occur within a year." Mr. Russell must, I suppose, be talking about the passage of the Helms-Burton bill speeding up the freedom for the Cuban people.

In preparation, Days Inn, based in New York, recently signed an option agreement with the Real Star Group of Toronto, which has 45 Days Inn franchises in Canada. A subsidiary of Real Star, Delta Hotels and Resorts, manages seven government-owned properties in Cuba, and Delta officials helped Days Inn find the properties that the American chain considers suitable.

Thank you, Mr. Chairman, and I hope that our committee begins to look at the negotiations taking place by U.S. companies and the Castro regime through the subsidiaries, supposedly for future investment, but it sounds like many of them are heading their operations before this. And this normalization that is going to occur within a year is interesting, why he would come to that conclusion.

Thank you, Mr. Chairman.

[The article appears in the appendix.]

Mr. BURTON. Well, I thank you for bringing that to the committee's attention. Congressman Torricelli and I have written a letter to some of the companies that were listed in Time Magazine as ne-



gotiating with Castro to take their businesses to Cuba. I can assure you that we will be writing a letter to the president, Mr. Russell, of Days Inn before the day is out to let him know what the law is.

Do any of the other members have opening statements?

Mr. LANTOS. Yes, I do, Mr. Chairman.

Mr. BURTON. Let me see. Mr. Menendez was next. If you could keep your statements brief, it would be helpful because we do have a tight schedule.

Mr. MENENDEZ. Thank you, Mr. Chairman. I have a full statement which I would like included in the record.

Mr. BURTON. Without objection.

Mr. MENENDEZ. Mr. Chairman, I want to commend you first for backing up your promise to make U.S. policy toward the Castro dictatorship the priority of the subcommittee, and you obviously move forward on that commitment today.

Before I begin, I have got to briefly address the Mitterands. Mr. Chairman, in light of what they have said about Castro recently, I would like to take this opportunity to cordially invite both Mr. and Mrs. Mitterand to my congressional district, so that they can take advantage of the excellent continuing studies in the reality of Castro's Cuba. Maybe then they could learn a little bit about what those realities are all about: the torture, including the use to this day of electro-shock therapy on dissidents; the political executions, something I know personally about; the hundreds of former political prisoners who spent 10, 20 and in some cases, 30 years of their life simply because they raised their voice, not because they raised an arm, but simply because they raised their voice against the dictatorship, and the widespread abuse and thorough denial of the most basic of human rights of the Cuban people.

Now, unfortunately, the old news that there is nothing romantic about the Cuban Revolution has not made it to all parts of the old world. H.R. 927. Within it Congress recognizes a few things about Cuba under Castro.

First, as long as Fidel Castro remains in power, Cuba will not change. Every day Castro requires more repression and more human rights violations to remain in power. Yes, Mrs. Mitterand, Fidel Castro is a dictator. Every day he makes the situation inside Cuba more and more difficult.

Mr. Chairman, I would ask to unanimously include in the record a response by the Director of the FBI, Louis Freeh, to a letter that myself, Congressman Diaz-Balart, and Congresswoman Ros-Lehtinen asked about U.S. fugitives currently believed to be in Cuba. And I am not going to read the whole letter, but I do want to read a relative response where he says, "While I am not in a position to speak for other government agencies," which means there could be more, "I can tell you that there are approximately 91 FBI substantive and unlawful flight to avoid prosecution fugitives known or suspected to be in Cuba. These fugitives are wanted for a number of offenses, and they include armed bank robbery, murder, solicitation to murder, and financial institution fraud."

I would like to have the full letter in the record.

Mr. BURTON. Without objection.

[The letter appears in the appendix.]

Mr. MENENDEZ. Notwithstanding evidence like that and so much others that we have raised, the fact of the matter is we still have people, it seems, within certain sectors of the administration who want to unrail the President's stated policy, a policy that he has stated both publicly and in private. And the worst foreign policy, whether it be toward Cuba or any other part of the world, is one in which you continuously send contradictory messages. And that is why, again, I believe that Mr. Halperin is doing a disservice to the President, a disservice to the foreign policy of the United States vis-a-vis Cuba. Whether you agree with it or not, it is the President's policy, and therefore, as someone who should be serving the administration, if you cannot do so, and it appears to me he cannot do so, in fulfilling the President's policy, he should therefore resign.

Finally, Mr. Chairman, I want to say that as part of this bill I am glad to see that you have seen it in your wisdom to include under Title II that provision of the bill that I have offered, which is to create a "Free and Independent Cuba Assistance Act." We send a very clear message to the Cuban people. We do so proactively. For the first time, we are ready to assist you in a transition; here are the parameters in which we are willing to do it. And I think that by doing so, and being proactive, we send a beacon of light to the Cuban people that can help assist them in their decision to move toward democracy and freedom. And I appreciate the opportunity.

[The prepared statement of Mr. Menendez appears in the appendix.]

Mr. BURTON. Thank you, Mr. Menendez. You raise a valid point that we need to address with this subcommittee: if there are people in the administration who are undermining U.S. policy toward Cuba, then they should explain themselves. I intend to ask Mr. Halperin to appear before this committee to explain some of the statements that he has made, and to allow the members of the committee to question him in that regard.

Mr. SMITH. Mr. Chairman.

Mr. BURTON. Mr. Smith.

Mr. SMITH. Thank you. I would ask that the full text of my statement be made a part of the record.

Mr. BURTON. Without objection.

Mr. SMITH. Mr. Chairman, I first of all want to thank you for convening this very, very important hearing.

Cuba is one of the few countries of the world in which the struggle against a totalitarianism has not yet been won. Because of the proximity of Cuba to the United States, and the historically close relationship between the peoples of our two nations, it is especially important that this victory comes sooner rather than later.

In evaluating all proposed legislation, administrative action and diplomatic initiatives with respect to Cuba, it is important to keep several principles in mind.

First, such actions must be calculated to enhance the status of the Castro government as a rogue regime, which it truly is, with whom the civilized nations of the world should have no dealings. The 1994 Clinton-Castro immigration agreement failed this test miserably. It enhanced Castro's international prestige. Witness his

recent strut in Paris, and with the now infamous suit and tie, and his recent boosting of power on the home front as well.

Now we hear that someone within the administration would like to give this brutal regime even a longer lease on life by making further diplomatic overtures.

The Cuban Liberty and Democratic Solidary Act of 1995 is an extremely important piece of legislation and would restrict the ability of this administration, or any other administration, to make such a mistake.

Second, our actions must be calculated to hurt the Castro government and not the Cuban people. He is the one who hurts his own people. We have got to be in solidarity with the Cuban people. Again, the 1994 anti-refugee agreement was a terrible mistake. It gave Castro just what he wanted: an end to the longstanding U.S. policy of accepting people who escape the tyranny of Cuba.

The agreement specified that Castro was to use "mainly persuasive methods" to keep people from fleeing Cuba. The United States thereby accepted more responsibility for whatever forms of persuasion he should choose to employ, and we know from that past that they have been brutal indeed.

The harsh conditions now being imposed on the refugees in Guantanamo, especially the requirement that they can only apply for refugee or legal immigrant status if they first return to Castro's Cuba are another victory for the Castro government. This cannot be emphasized too strongly, Mr. Chairman. The United States cannot be anti-Castro by being anti-refugee.

When freedom loving Cubans lose either by being bottled up in Cuba or by being forced to return there, the Castro government wins.

I would like to join my colleague, Ileana Ros-Lehtinen in insisting that this would be the worst possible time to repeal the Cuban Refugee Assistance Act.

Mr. Chairman, an economic embargo presents more complicated moral and practical problems. There is no question that an embargo imposes some short-term hardship on innocent people. It is therefore justifiable only if it is genuinely calculated to bring a speedy end to a regime, a rogue regime, that is the real source of the peoples' misery, suffering and pain. An embargo is far more likely to have this effect if it is respected by as many nations as possible, and you are seeking to do that, and I applaud you for that.

This legislation is important legislation, and I do hope it will move to swift passage by the subcommittee, by the full committee, and then by the House and Senate as well.

Thank you, Mr. Chairman, and I look forward to our witnesses' testimony.

Mr. BURTON. Thank you, Mr Smith.

Before I recognize Mr. Lantos, let me just say that for those who are interested, there will be a markup on this bill next Tuesday. We intend to mark it up in the committee, have it sent to the full committee next week, and will be urging the chairman of the full committee to take swift action on it, so we can get it to the floor for a vote.

Mr. Lantos.



Mr. LANTOS. Thank you, Mr. Chairman, and I shall be very brief.

I would like to broaden the canvas a bit, and instead of talking about just Cuba, I would like to explore for a moment both the administration's attitude toward human rights, and the attitude of the Congress toward human rights, because both are profoundly characterized by appalling inconsistency at a time when human rights are so palpably indivisible.

I do not find it at all surprising that Mr. Mitterand honors Mr. Castro because the French are beating down the doors in Tehran and Baghdad to start doing business with despicable dictatorships in Iran and Iraq. And I only wish that all of my colleagues who will be so excited about this legislation which strikes a blow against a dictatorship would be equally excited about striking a blow against the Chinese dictatorship, where those of us who have called for severe measures against the suppression of the Chinese people, and the destruction of Tibetan civilization, we have been very much in the minority, abandoned both by the administration and most of our colleagues.

Human rights are indivisible. And if you take a broader historic perspective, you realize that the attempt to make Cuba free of Castro is part and parcel of the attempt that many of us were engaged in in making South Africa free of apartheid. And I find it very difficult to see how people who were with us in that fight find Castro somehow acceptable. Dictatorship is of a piece, suppression of human rights is of a piece.

This year is the fiftieth anniversary of all kinds of nightmares in Europe, and all of us who have been engaged in the struggle are appearing all over the country at various memorial events. I deplore these memorial events if they do not point in the direction of action. The way to pay tribute to the 6 million who died in Hitler's gas chambers is to see to it that the people who are being persecuted today from China to Cuba are no longer going to be persecuted.

So I must say I have a less than enthusiastic view of both the administration's actions and the actions of my colleagues in the Congress. I applaud the administration for terminating Conoco's sickening attempt to make a buck from Iran by developing its oil resources, but I am appalled by the administration's continuing attempt to sweep under the rug Chinese human rights violations.

When you sound an uncertain trumpet, you lose your credibility. And I have never seen a more effective demonstration of it than in Geneva last week. At the U.N. Human Rights Commission on the issue on denouncing China's human rights treatment, we lost by a vote of 21 to 20. The deciding vote to tell the truth that Chinese human rights conditions are abominable, the deciding vote was cast by Mexico, in the process of being the beneficiary of a \$50 billion bailout in which this country has played the most pivotal role.

So I welcome this hearing and I welcome this initiative, but I would like to broaden it, and I invite all of my colleagues on this panel and in the Congress to join those of us who view human rights as indivisible, to be part and parcel of all human rights struggles against apartheid in South Africa, against the totalitarian regime in the Soviet Union, against Castro's dictatorship,



and all the others. We are, on the winning side, but the more united we are the faster our victory.

Thank you, Mr. Chairman.

Mr. BURTON. Thank you very much, Mr. Lantos.

I might add one thing to your very excellent comments. Mexico also has been supporting directly or indirectly the Castro regime for some time, and that is something else that we need to address.

Mr. WYNN. Mr. Martinez, were you next?

I think he was here before.

Mr. BURTON. Mr. Martinez, yes.

Mr. MARTINEZ. I thank you, Mr. Chairman.

I do commend you for holding this hearing, especially so that we can air some of our views regarding the situation in Cuba, and as Mr. Lantos said, in other places, and the inconsistency of our foreign policy and who our friends are and are not.

I remember when we were debating NAFTA, we talked about the reform that Salenas was going to implement. Now I understand that Salenas is in exile, mutually agreed by him and the new President. The fact is that the corruption that exists in that government continues to exist there, and that probably leads to the kind of corruption they have when they deal with us supposedly on a free trade agreement violated all the time. But the reason I bring that up is because of what Mr. Lantos said, the inconsistency in our foreign policy.

In your summary that you have supplied for your bill here you talk about terminating preferential trade agreement with countries that are currently receiving a sugar quota or allotment. I would say that the language in the bill should be much stronger than that. The language should go to the fact that we should terminate these special arrangements that we have in free trade with Canada and Mexico since both are dealing with Cuba. That is one of the inconsistencies that I see.

The other thing is that we have to remember that for years we danced with dictators, and it has not been strictly on the basis of communism versus democracy, because when we supported the Shah of Iran, who was oppressive to his people, oppressive enough to cause enough dissension within Iranian society to overthrow him, and for us in the end to advise him to leave the country rather than stand behind his government as he had in the past, I think was the height of insult to the people who were trying to free themselves from that oppression.

Well, those people jumped from the frying pan into the fire; just like the Cuban people. They thought they were being oppressed by their former leader, Batista, and they ended up jumping from the frying pan into the fire, and found that it was worse suppression.

I saw that in China when I was deployed there as a U.S. Marine. I spent 2 years there after World War II, and we supported the Chiang Kai Shek government, and we still support the nationalist government. But yet even in China they were as oppressed as the Communist have been since they have taken over. And we still supported that government.

So we have supported governments that are dictatorships. If you think that Mexico is a democracy, think again. When one party controls and sets the elections, and then oppresses the people that

are in dissension with them, that is a dictatorship, not a democracy. I think we have to decide what is a democracy, and which governments we are going to support and which governments we are not, because we end up too often supporting the wrong people, and then having people that would probably have come to terms with against us because of positions we took before that.

Before Castro came into power, I hope enough of you are old enough to remember, that half the United States was supporting Castro in his revolution, while the other half, the government as an entity, supported Batista. So when the Cuban people finally overthrew the oppressive Batista regime they had no place to go except in one direction, and it has worked out badly for them.

Mr. Torricelli, my colleague, has used the phrase in his opening statement about the Cuban people suffering, and they are suffering. And I am wondering if we are continuing to cause that suffering and not making Castro stronger and the people weaker as to the point that they cannot overthrow him. And you know people want to see the demise of Castro. I do too. But I think about oppressive governments around the world, leaders that were predicted for assassination almost immediately, and still have lasted something like 50 years in power.

I do not think we necessarily are doing the right thing with this embargo unless we can make it strong enough so that all of our allies that are now dealing with Cuba go along with the embargo. Other than that, we are just causing more suffering to the Cuban people and keeping them weaker so that they cannot overthrow that terrible dictator.

I know of Cuban people here who have friends and relatives in Cuba. If I had friends and relatives in Cuba, my hate for Castro would not allow me to disavow any responsibility to them, to the point that I would want to continue their suffering. I think that there is an old saying "Kill them with kindness." I think that we should somehow, if this embargo will not work, inundate the Cuban people with such trade and economic advantages and prosperity that they would become strong enough to say we are not going to stand for this terrible regime of Castro, and we are going to overthrow this dictatorial government. At least the Cuban people would have the strength to do it.

I have a statement prepared and I would like to enter it in the record.

Mr. BURTON. Without objection.

[The prepared statement of Mr. Martinez appears in the appendix.]

Mr. BURTON. Mr. Wynn.

Mr. WYNN. Thank you, Mr. Chairman. I also applaud you for bringing this issue to the forefront. I think it deserves a full and open debate. I will be very brief because I just wanted to focus on a comment made by one of my colleagues, Mr. Smith, in which he said that we are in opposition to Castro, not the Cuban people.

I thought I would echo that sentiment in my opening statement, but when I look at the issue of travel restrictions of relatives and the ability of relatives of the Cuban people to transmit funds to their relatives, it appears to me that we may in fact, in our vigor to maintain the embargo in its various forms, may in fact be acting

in opposition to the interests of the Cuban people as members of families.

We always like to talk about being family friendly and the sanctity of family. It appears to me that at least in these two instances we may not in fact be responding to the familial needs of the Cuban people.

So while I would echo the sentiments that have been expressed in opposition to the dictatorship of the Castro regime and to the human rights violations, which I think we all find appalling, I would also associate myself with the sentiments that suggest that we take a thorough and comprehensive look at whether there might not be other approaches which would enable us to more effectively bring the Castro regime to a end.

I would also conclude by adding that I have joined in the past with my colleague, Mr. Menendez, in talking about how we should treat a post-Castro Cuba, and would just compliment him for his efforts in that regard, because I think that that will play the most fundamental long-term role in assuring that the Cuban people are effectively served.

So, again, Mr. Chairman, I want to thank you for the opportunity to be present at this hearing. Thank you.

Mr. BURTON. Thank you, Mr. Wynn.

We will now turn to our first panel. I would just like to ask our panelists to keep their remarks to 5 minutes if it is possible so we can get into questions.

I want to introduce our first panel. Congressman Lincoln Diaz-Balart of Florida. He is one of the stellar fighters for freedom in Cuba. He comes from a very illustrious Cuban-American family. Although we lost him to the very powerful Rules Committee, he is still very active on this issue, and is a quasi-member of the International Relations Committee.

Charles Rangel of New York has had a longstanding interest in Cuba and has been a leader in the fight against narcotics trafficking in our hemisphere and around the world. We ought to take our hats off to him for that effort. He has been particularly outspoken on the Cuban embargo, so we may have a little difference there, but we are glad to have him here today.

We will begin today with Mr. Diaz-Balart.

Mr. Balart.

#### **STATEMENT OF THE HONORABLE LINCOLN DIAZ-BALART, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF FLORIDA**

Mr. DIAZ-BALART. Thank you, Mr. Chairman. I will keep my comments brief.

I would like to thank you all for your leadership and your comments. I would like to adopt, if I could, the comments of Congressman Lantos, if it would be possible to repeat them again because they were so wise, and I think showing extraordinary vision.

When Mandela said with regard to South Africa, when he was in prison, and later when he was released from prison, but before the election occurred there, that he supported a total blockade, total embargo of South Africa, that merited respect.



When Aristide said, when he was in exile, that he supported a total blockade sought in the U.N. Security Council of Haiti, that merited respect.

When the leaders of the opposition in Cuba, met with Congressman Lantos just a little over a year ago when he went there, and even though the Cuban Government did not want him to meet with them, he made sure that he met with the dissident leaders, he has told me that the leaders of the opposition in Cuba in a consensus fashion, support a total embargo of the dictatorship. That merits respect.

When Chairman Burton led a delegation, to Guantanamo just a few weeks ago, and we met with the elected leaders of the refugees in Guantanamo, what did they tell us? They want a total blockade just like in the case of Haiti against the dictatorship. They, the elected leadership of the refugees, just out of Cuba, merit respect.

And so the question, Mr. Burton, cannot be as we may hear later on in this hearing, and we certainly have heard before, that because we have a shameful policy toward China and Vietnam, why do we not also have a shameful policy with regard to the Cuban dictatorship? That must not be the question.

As Congressman Lantos said, the question must be if we had a forceful policy toward Haiti, and Iran, and Iraq, to the extent that President Clinton personally committed, and it is in the Washington Times here, that for the first time in history a President has taken action to damage the business interests of a large corporation in prohibiting the actions of Conoco with regard to Iran, and we all know about Madeleine Albright traveling around the world to make sure that the embargo in the U.N. Security Council against Iraq is maintained. We all know even the relationship with the United States most closest ally, Great Britain, is now being strained because of the initiative that Clinton is engaging in with regard to Ireland.

So the issue is, if we are seeing such forcefulness with regard to those examples, to the extent that there was an invasion of Haiti sought for, for example, I remember by my colleagues, Mr. Rangel, after many people within the Congress pressed the administration to seek a blockage in the United National Security Council, and that was being circumvented through the Dominican Republic, and so it was not having immediate results, and pressure was made for even an invasion of Haiti, and \$1 billion of American taxpayers has been spent in that regard.

If we have seen that kind of leadership with regard to Haiti, why the double standard with regard to a dictatorship that is 36 years old, just a few miles from Haiti, and even closer to our shores? And an anti-American dictatorship.

We see, as Congressman Menendez pointed out, the FBI talking about the fact that there are fugitives in Cuba, wanted for offenses that include but are not limited to airline hijacking, crime aboard aircraft, armed bank robbery, murder, solicitation to murder, and financial institutional fraud. Robert Vesco, who was indicted for stealing over \$200 million from a securities firm in the United States, is Castro's de facto minister of narcotics trafficking. And what are we doing about that dictatorship?

I think the issue today, and I will be brief, is very simple. What are we doing? You know what we are doing. We are doing your bill, which we all have worked in its drafting.

Why are we doing it? The reasons are clear.

And what is the administration going to do? And I will take just a few seconds on that. I know that Ambassador Watson, if he could have his way, and Dennis Hayes and his team, they are strong proponents of elections in Cuba. But the problem that I am seeing is a White House that seems not to know what its own policy is, Mr. Chairman.

And so we ask the White House how can you say, and I see in Mr. Watson's testimony today, that he says, "The sanctions in this bill could be problematic in this period of budget stringency because they would require significant new resources." That is not serious.

You spend a million dollars a day to keep the people in Guantánamo. You spend a billion dollars to invade Haiti. And you are saying that you cannot hire a few Federal people to force compliance with some Cuba sanctions? That is not serious.

No, Mr. Chairman, to summarize, we will discuss this bill with the administration, but no excuses, no weakening of the bill. It is time for leadership united, the administration and the Congress on Cuba, and we will not accept excuses.

Thank you very much.

Mr. BURTON. Thank you, Mr. Balart.

Representative Rangel, that is a tough act to follow. Are you ready? [Laughter.]

#### **STATEMENT OF THE HONORABLE CHARLES B. RANGEL, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW YORK**

Mr. RANGEL. I am really impressed. As a matter of fact I want to thank this committee for its tolerance in allowing me to get in this room. [Laughter.]

Mr. BURTON. We have the pole ready to take you out of it back here. [Laughter.]

Mr. RANGEL. I might suggest, however, that there are people in the administration that have a different view. I ought to put them on the alert that they may be caned by this committee because God forbid that someone would have an independent thought on this issue.

I might say, however, that you may have a long list of people who are experts in Latin America who might differ with some of the distinguished members of this panel. It would include Republicans and Democrats, liberals and conservatives, Henry Kissinger, Secretary Eagleburger, Bob McNamara, Bernie Aronson, Angie Bittleduke, Ted Sorenson. And so being the great country that we are, we can disagree without being disagreeable.

I do not know whether or not we are demanding elections in Cuba. I mean, you know, I got shot up by the North Koreans and the Chinese. We have lost tens of thousands of American lives in Vietnam. We are not demanding elections there. I do not really think this is about elections at all in Cuba. It is about elections in Florida. [Laughter.]

You know, that is not—I am a politician. I can live with that. But if this is the same as South Africa, if this is the same as Haiti, believe me if we had a 35-year cockamamie embargo against Haiti, I would have been out there stopping it a long time ago. I was on the floor saying that the embargo was not working in Haiti. But that is not the point.

The point is this. America has three international goals to achieve: trade, trade, trade. We are so excited about the passage of the General Agreement on Trade and Tariffs, the North American Free Trade Agreement, the Caribbean Basin. And guess what? Everybody that we give preferential treatment to are doing business with who? This small island in the Caribbean.

Sure we want to get rid of Castro, but denying food and medicine to the people in Cuba is not the way to do it. I heard from some voices in Miami that now is the time not to lighten up; that these people are ready now to take him out. Are these the same people that were on the rafts trying to find a little piece of democracy? Are the people in Miami going to go there and take him out against that well fed, well trained army? Of course not.

Why do we not show that democracy can work, by not cutting off communications? Let Americans go there. Let them see how democracy in the capitalistic system works. Let them show them their free marketplace.

Are they going to choose this overblown military dictator over democracy? I have more confidence that democracy is going to work. It is going to work. We say that Cuban-Americans cannot send a couple of dollars to their family members. We cannot travel over there, and we have not changed our immigration policy. But for some reason it was decided by some interest group in Miami that this wave of Cubans should not reach Miami.

And so here we have 30,000 people seeking democracy, being held as prisoners in Cuba at the cost of millions of dollars.

I would suggest that these hearings are the most important thing that I have seen in a long time. I want to laud you and Senator Helms, because these hearings are going to really spotlight the inequity of this system. We are picking on a small country and deciding how strong we are going to be.

And so it has been said that worse than making a bad campaign promise is keeping it. The whole world sees now that we had the moral high ground with Haiti. We had the support of the United Nations and the Organization of American States. We had all the Caribbean countries there with us, who were able to get it notwithstanding against South Africa. And now America stands alone. We have the only moral position. The United Nations' as well as the Organization of the American States have gone corrupt; they have no sensitivity for human rights. But here we are losing tens of billions of dollars a year in lost businesses; people are trying to buy cars; people are trying to buy medicine; people are trying to buy food. But we are saying that it is best that you do not have this food; it is best that you do not have this medicine because we are going to make you so lean and so mean that you have got to get rid of the tyrant.

Well, I have introduced legislation, Mr. Chairman, I hope you have hearings on it, that says do what you want to with business,



but let us get the medicine there, let us get the food there. And if we are talking about a revolution, at least allow the people to be healthy enough to fight back.

I want to thank you for this opportunity, and unlike my colleague who probably has no questions coming from you, whatever I can do to share my views, I am here.

[The prepared statement of Mr. Rangel appears in the appendix.]

Mr. BURTON. Mr. Rangel, first of all, you were very eloquent and you did follow that tough act very well.

Let me further say that I am not from Florida. I am from a city called Indianapolis, Indiana, right in the heart of America, and I have no axe to grind as far as Cuba is concerned other than I would like to see Fidel Castro swim for his life.

I was wrong a few years ago when I opposed the actions of the Congress of the United States toward putting an embargo on a place called South Africa, because I thought there was a better way to deal with apartheid. My approach was to empower the black people in South Africa so that they could overcome the adversity they faced by a white minority government.

But you were on the other side of that issue. You were very strongly in favor of a total embargo on South Africa. I remember vividly some of the debates and some of your eloquent remarks on the House floor.

Mr. RANGEL. I was good.

Mr. BURTON. You were good. [Laughter.]

By golly, we had to embargo South Africa, and I kept saying on the other side, but you are going to hurt the very people you want to help, Charlie.

Mr. RANGEL. But we won.

Mr. BURTON. You were told the embargo was going to hurt the very people that you want to help. But you disagreed. I remember our good friend, Steve Solarz that we have to keep the pressure on even if it does hurt the blacks that we want to help because ultimately they will be freed.

And you know something? You were right, Charlie. And you are wrong today because the same argument should be used toward Cuba.

Obviously, the pressures that we are putting on Cuba are going to be painful for the people that we want to see free. We want them to be free, and we want them to be free very quickly. But like Ronald Reagan when he stood before the Berlin Wall and said, "Mr. Gorbachev, tear this down," and none of us thought it was going to happen in our lifetime, the wall came down. Castro will go one way or another.

The majority of this committee believes that the best way to make sure that happens in the short run is not to only continue the pressure, but also to up the ante—increase the pressure day by day, week by week, month by month, until he cannot just take off his uniform and go look like a nice all American boy while visiting France. He is going to have to take off his uniform and leave Cuba, and maybe live in France. That is our goal.

Mr. RANGEL. Mr. Chairman, I just would like to say that you were right. I was eloquent on the embargo against South Africa. [Laughter.]



And you are right again. It does cause pain. And you have to look at the objective that you want to achieve.

Mr. BURTON. Right.

Mr. RANGEL. But, Mr. Chairman, the difference between the embargo in Haiti and the embargo against South Africa is 35 years of it not working. I swear to you that in the closing days of the Haitian crises I was prepared to change my views because the people that I wanted to help would not have been around for the democracy.

And what I am saying now is that, first of all, an embargo is an awkward tool for government to use. But once you decide to use it, you have got to make it effective. You have got to make it total. You have got to go there and do it, and do it fast.

Mr. BURTON. Charlie, let me ask you one question.

Mr. RANGEL. Sure.

Mr. BURTON. Have you been to Guantanamo?

Mr. RANGEL. Yes, sir.

Mr. BURTON. There was not one single Cuban or one single Cuban elected leader with whom I talked, and I questioned them at length, who said anything other than maintaining the embargo. You have got to tighten it. You have got to put the screws to this guy because that is the only way you are going to get him out.

Mr. RANGEL. Mr. Chairman, when I was at Guantanamo we did not treat Cubans that way. All you had to do was steal a boat, steal a plane, and you came here, and we gave you a welcome.

The Cubans that you are talking to are getting three square American meals a day.

And they are prepared to say what you want them to say.

Mr. BURTON. No, no, Charlie.

Mr. RANGEL. If the Cubans—

Mr. BURTON. Charlie, Charlie, Charlie.

Mr. RANGEL. If the Cubans in Cuba who are not being fed—

Mr. BURTON. Charlie, those people were not being told what to say.

Mr. RANGEL. Well, are they being fed by Americans?

Mr. BURTON. Charlie, we are going to try to facilitate getting them out of that environment as quickly as possible. That is another goal of the subcommittee.

Mr. RANGEL. I support that.

Mr. BURTON. Mr. Torricelli.

Mr. TORRICELLI. Thank you, Mr. Chairman, very much.

We have talked about Cuba so many times it would be difficult for us to find a new subject or anything new for either of us to say. But suffice it that the record should at least be clear on this.

The American embargo against Cuba is not 35 years old. It is now 24 months old. It was without real meaning until we ended the investment by multinational corporations, and until Soviet aid had concluded. Twenty-four months is not long to be an embargo. It is nothing compared to the international effort against Rhodesia or South Africa, or the pressure we used in North Korea or Vietnam.

Embargoes are a legitimate international tool to bring a change of policy, and for all the frustrations and delays have been remarkably successful. We did not get free elections in Vietnam. We got

them to end the occupation of Cambodia and end concentration camps. We did not bring a change of government in North Korea. We have gotten them to deal with the nuclear weapons program. And everything did not happen in South Africa as we would have hoped, when we hoped. Got a free government, and Ian Smith is not Prime Minister of Rhodesia. And Soviet Jews are able to emigrate to their country of choice.

Embargoes are not a precision tool. But as an alternative to armed conflict have been remarkably successful. And now we use it in Cuba for 24 brief months.

What I do not understand, Charlie, too, is I hear the same charges all the time about the United States. The embargo is causing suffering. The embargo is not causing suffering in Cuba. It is the failure of communism.

Can you name me one product made in the United States that the Cuban people need that they cannot buy from Europe, or Japan, or Latin America? What are these things so vital to the Cuban people that we are offending their most basic rights by not selling them, that they could not buy anywhere else in the world?

There is no other embargo. We have taken a principal position ourselves. They are free to buy. They cannot buy. They cannot buy because their system has collapsed. They have no funds. We did not design that system. We are simply trying to change it.

And, finally, I would never have been party to denying children foods or medicines. This committee has not done so. Quite on the contrary. Today, with the exception of Haiti, the Cuban people receive more in donated foods and medicines from the people in the United States than any other nation on earth. Food and medicines are not prohibited from being sent to Cuba. We have tried in this embargo to be as effective as we can in making the price as high as we can for the Cuban leadership.

In those camps in Guantanamo, if I retain one message, one memory that will always be with me, it was being rushed by refugees, many of whom are professional people, who risked everything and suffered all these years, doctors and engineers who could not feed their families, without knowing who we were, without us saying a word to them, telling us keep the embargo, and in a rush of insults to the Mexicans and the Spanish, claiming that their lives would have been different years ago had Castro not been subsidized by those governments who sought to profit by their enslavements.

I do not know, Charlie, how to move either of us on this issue. We both feel so strongly on our respective positions. But only, only to say let us deal with the reality of it, and that is there is no other way out. Whoever communicates with Castro, however he can be reached, you more than any other person in this room probably have credibility as someone who believes in human rights and democracy, but nevertheless can communicate with those who still exercise power in Cuba. There is no other way out to preserve the life of its people, the sovereignty of its nation. He needs to reach a sovereign national decision, not because the United States tells him to do it, but because he is at the same point in history as a score of people before him, from Marcos to Ceaucescu, to Gorbachev. He has to reach a judgment. He can do it the right way in

the interest of his people, and allow a natural political transition, or he can await the inevitable tide, which will sweep him away.

I hold no brief for him, but because it is in the right interest of his people, I hope he chooses the former course, and I think you can urge him to do so, to honestly deal with the situation.

Thank you, Mr. Chairman.

Mr. RANGEL. I have never been asked a more eloquent question in my life than that. [Laughter.]

Mr. TORRICELLI. Or a longer one. [Laughter.]

Mr. RANGEL. But I can tell you this, that we can meet each other half way. If you say that we are donating food, why is the big deal in selling—allowing the people in Louisiana and Arkansas to sell that rice instead of buying that expensive Communist Chinese rice? Why cannot we allow our pharmaceuticals to sell medicine? We cannot allow them to believe that we are the good guys, and it is Castro that has screwed up the economy, not our embargo?

I agree with you, but we are painted as the villains. And I am telling you I have a bill here. If you want to be on the side of the good guys, selling medicine and selling food is far better than going there saying that we are not going to do it because it is a matter of principle. Let us try to work together just on food and medicine.

Mr. BURTON. Charlie, in a country that has five days worth of foreign exchange, and the electricity is off 10 or 12 hours per night in Havana as they await the monthly oil ship, let us deal with the reality that in giving food and medicines we are trying to preserve some quality of life for the poor of Cuba. Selling humanitarian goods is doing no favor.

If they could buy medicines, they would buy them from Europe. They have no money.

Mr. RANGEL. Well, let us do it then.

Mr. BURTON. If they could buy food, they would not be buying it from us. Our rice is the most expensive in the world.

Mr. RANGEL. It would not make us look so bad.

Mr. BURTON. They would be buying it cheap—

Mr. RANGEL. Let us do it. It would not hurt anything.

Mr. BURTON. They have nothing until they bring political change.

Mr. RANGEL. Remove the embargo just on food and medicine.

Mr. BURTON. Have a free election and remove it on everything.

Mr. RANGEL. Have a free election in China, Vietnam.

Mr. BURTON. Charlie, Charlie.

Mr. RANGEL. You know, the whole world.

Mr. BURTON. You were great. You were great.

Mr. RANGEL. Thank you, Mr. Chairman.

Mr. BURTON. We will recess.

Did anybody else have any questions?

Mr. MENENDEZ. I do not want to prolong it. I just want to say two things.

I would really like to see the figures for suggesting that there are tens of billions of dollars, which was your comment, in lost U.S. businesses in a population of 10 million people, including children. And knowing the gross domestic product and the average income of the average Cuban, I would suggest to you about \$300 for 10 million people, including children, it does not amount to tens of billions of dollars.



And lastly——

Mr. RANGEL. The State Department——

Mr. MENENDEZ. I did not interrupt you, Mr. Rangel.

And lastly, let me just say that many of you speak about this in the abstract. For some of this, it is very real. We do it not despite your comments. Our positions are because we love our families, including—I speak from experience as someone who has family there. I do not talk about it often because I do not need them to get more hurt than they are. We love our families, and we do it not out of hatred of Castro, but for love of our families.

Mr. BURTON. Thank you very much. We will recess and be back in about 10 minutes.

[Recess.]

Mr. BURTON. I would like to get started because we are going to have another vote in about 20 or 25 minutes, and we do not want to keep Ambassador Watson and Mr. Newcomb waiting.

Alexander Watson is Assistant Secretary of State for Inter-American Affairs. He is former U.S. Ambassador to Peru, and an old friend of this subcommittee. We welcome him back.

Richard Newcomb is the Director of the Office of Foreign Assets Control in the Department of the Treasury. OFAC is the office which enforces the trade embargo. By all accounts, Mr. Newcomb does an excellent job, and we welcome him here today.

We look forward to hearing your statements. We will start with you, Ambassador Watson. We would like to try to keep your statement to 5 minutes so we can ask you questions because we think that is the most illuminating part of the hearing.

#### **STATEMENT OF ALEXANDER F. WATSON, ASSISTANT SECRETARY, INTER-AMERICAN AFFAIRS, DEPARTMENT OF STATE**

Mr. WATSON. Thank you very much, Mr. Chairman.

Yes, with your permission, I would like to submit a longer statement for the record, and I will give a brief summary of it now.

Mr. BURTON. Without objection.

Mr. WATSON. Thank you very much, Mr. Chairman. It is a privilege to testify before this committee on Cuba. We are pleased that you have made U.S. policy toward that troubled island one of this committee's highest priorities. As Secretary Christopher said to the Senate Foreign Relations Committee on February 15, "The Summit of the Americas has demonstrated that this hemisphere has committed itself to democratic institutions, respect for human rights, and free markets. Only one country out of 35 was not invited to the summit. The one country that rejects the shared goals of those who came to Miami in December. That nation is Cuba."

Of all the dramatic changes in the world that have in recent years swept away similar systems, the dictatorship in Cuba has shown no willingness to recognize even the most basic freedoms of the Cuban people, or to submit itself to the true test of popular will, the ballot box.

More than three and a half decades have passed since Castro seized power and promised to hold an election within 18 months. The Cuban people cannot speak their minds openly. They cannot

meet freely or organize freely. They have no recourse against governmental abuse.

Mr. Chairman, we are pleased to see that again this year the United Nations Human Rights Commission voted by a wide margin to condemn the human rights situation in Cuba, this time with new support from a number of our Latin neighbors. Human rights and democracy are the core of our policy toward Cuba, and as you know, we led that fight in the U.N. Human Rights Commission.

We will touch for a second on economic change in Cuba. Since 1993, the regime has taken some tentative steps toward economic reform such as establishing agricultural and industrial craft markets, legalizing the dollar, and permitting limited self-employment. These economic changes are still inadequate, and are being introduced grudgingly because the regime has no other choice.

The measures implemented thus far have been carefully limited to preserve the regime's control over the population. Because the markets and small-scale self-employment have given the Cuban people a small taste of market incentives, however, they do constitute positive steps.

Mr. Chairman, we support the goal of the Cuban Democracy Act, which is the promotion of a peaceful transition to democracy on the island. The Cuban Democracy Act guides our policy, which is to maintain firm pressure on the Cuban Government for peaceful change, by denying legitimacy and resources to the Castro regime through tough economic sanctions. We call this Track One. While reaching around the regime, around the regime, to the Cuban people through humanitarian donations and enhanced communications, which we have referred to as Track Two.

We strongly believe that the embargo is the best leverage we have to promote change in Cuba, and that it is working. Those who claim that it is ineffective fail to understand that only since 1989, or as Congressman Torricelli says, the last couple of years, when the Soviet Union \$6 billion annual subsidy to the Cuban economy ended, has the embargo's real impact been felt.

While the inherent inefficiencies of Cuba's Socialistic economy alone would be enough to bring about the systems' eventual economic collapse, the large influx of hard currency from the United States could allow the regime to resist change and stay afloat for years longer. Because of the embargo, Castro faces stark choices now.

Mr. Chairman, while we have kept the pressure on the regime, we have been reaching out to the Cuban people through a variety of initiatives outlined in the Cuban Democracy Act. These efforts are designed to break the Cuban regime's monopoly on communication with the Cuban people, and let ordinary Cubans know that we stand with them in their struggle; give them an external reference point by which to judge the situation in their own country.

Since 1992, we have licensed almost \$65 million in private humanitarian donations through nongovernmental organizations. Other examples of our Track Two efforts are the conclusion of private U.S. telecommunications agreements increased book donations to Cuban institutions and, of course, the essential broadcasts of Radio and TV Marti. These efforts to reach out to ordinary Cubans

are an essential complement to Track One pressures, and will help hasten the island's democratic transition.

Mr. Chairman, the administration welcomes Congress's interest in furthering the objectives of the Cuban Democracy Act. An inter-agency team is conducting an extensive review of the Cuban Liberty and Democratic Solidarity bill, and will produce recommendations which will be considered by senior administration officials. We have almost completed examining the provisions of this complex piece of legislation, and look forward to meeting with you or your staff when we have completed our review, which will obviously have to be very soon if you are going to have a markup on Tuesday.

Mr. BURTON. Pretty quick.

Mr. WATSON. We support many of the objectives of the bill, and stand ready to work with the Congress to make enforcement of the embargo more effective, to accelerate planning for assistance of the Cuban people under a transition or democratic government, and to protect the property interests of Americans abroad.

However, we believe that as currently drafted some of the bill's provisions might have consequences which could impede our ability to further our shared goals. We must also ensure that the bill's provisions do not have major adverse effects on broader U.S. interests. In addition, several of the bill's provisions could require significant increases in resources for implementation. I think that is a subject worthy of discussion even though Congressman Diaz-Balart was not too enthusiastic about it.

Mr. Chairman, our preliminary views on the bill are discussed more fully in the written testimony that I would submit for the record. In the interest of time, I will not go into specifics in this statement. We believe, however, that most of the concerns we have identified can be resolved through consultation, and I am certain that members of the committee, like the administration, will be interested in balancing our desire to do as much as possible to promote peaceful democratic change in Cuba with our international commitments and other critical national interests abroad.

We would be happy to meet with sponsors of the proposed legislation at their convenience to discuss the Cuban Liberty and Democratic Solidarity bill. We expect to continue the bipartisan cooperation on Cuba policy that the Cuban Democracy Act has embodied and that we have pursued with the Congress over the past 2 years.

Thank you very much, Mr. Chairman.

[The statement of Mr. Watson appears in the appendix.]

Mr. BURTON. Thank you for that eloquent statement.

Mr. Newcomb.

#### **STATEMENT OF R. RICHARD NEWCOMB, DIRECTOR, OFFICE OF FOREIGN ASSETS CONTROL, DEPARTMENT OF TREASURY**

Mr. NEWCOMB. Mr. Chairman, Congressman Torricelli, distinguished members of this committee, thank you. I appreciate your kind remarks this morning.

I have a larger statement which I would like to have inserted into the record.

Mr. BURTON. Without objection.



Mr. NEWCOMB. In my remarks this morning I will be discussing the recent changes to our sanctions program against Cuba, particularly the new initiatives with respect to dollar remittances, travel and gift parcels, which were implemented at the direction of the President in August of 1994.

In performing our mission, the Office of Foreign Assets Control of the Treasury Department relies principally upon the President's broad powers under the Trading with the Enemy Act and the International Emergency Economic Powers Act, to prohibit and regulate commercial or financial transactions involving specific foreign countries. The implementation of economic embargoes and sanctions by the President is an important element of U.S. foreign policy.

The Cuban embargo, as it existed before the Cuban Democracy Act, enacted in October 1992, prohibited all commercial, financial and trade transactions by all persons subject to U.S. jurisdiction, which includes U.S. citizens and permanent residents wherever they are located, all people and organizations physically located in the United States, and all branches and subsidiaries of U.S. organizations throughout the world.

The Cuban Assets Control Regulations promulgated to interpret and implement the Cuban sanctions program originally promulgated in 1963, contained certain limited licenses or exemptions for specified types of transactions in the following areas: limited financial remittances, certain travel transactions, trade and informational materials, and trade by U.S. foreign subsidiaries. It was within this context that the Cuban Democracy Act was enacted. The Cuban Democracy Act made significant changes to the regulations with respect to the export to Cuba of food and medicine and medical supplies, with respect to telecommunications and with respect to trade with Cuba by offshore subsidiaries of U.S. companies.

Since the passage of the Cuban Democracy Act, the U.S. Government has licensed over \$65 million worth of humanitarian donations to Cuban nongovernmental organizations from a wide variety of religious, social and professional groups and individuals. We stand ready to work with all organizations interested in helping the Cuban people in this time of need.

Informational materials, including school texts, Bibles, books, records, and tapes, are not subject to the prohibition contained in the regulations, and therefore require no authorization for export.

Furthermore, the Cuban Democracy Act deregulates the exportation of donated food to Cuban individuals and nongovernmental organizations. For this reason, qualifying donations of food may be made without applying for a license.

In August of 1994, the President called for the imposition of additional economic sanctions against the Castro regime. These new measures were designed to reduce the flow of U.S. dollars to the Cuban government by sharply reducing permitted remittances to Cuba, limiting the content of gift parcels sent to family members, and prohibiting travel-related transactions related to family visits except under circumstances of extreme hardship. Persons seeking to travel to Cuba for purposes of conducting professional research may now do so only pursuant to specific licenses.



The amended regulations now prohibit family remittances to Cuba except for a one-time payment of \$1,000 to enable a close relative to emigrate from Cuba. Other remittances to address emergencies or situations of demonstrated extreme need may be specifically licensed only on a case-by-case basis.

Remittances to permit travel to the United States by Cuban family members for visits are now prohibited except upon demonstration of extreme humanitarian need.

Licensed Miami to Havana charter carriers are now permitted to carry only specifically licensed travelers except for visaed immigrants, journalists and government travelers on official business who continue to be licensed generally. Specific license may now be issued for family visits in extreme emergencies, clearly defined educational and religious activities, travel by professional researchers, activities of recognized human rights organizations investigating human rights violations, and travel in connection with telecommunication activities or trade in informational materials.

The sharp reduction in the number of licensed travelers for the direct U.S. to Cuba flights has led to a reduction in their frequency. However, prohibiting travel to Cuba on these flights by unlicensed U.S. family members has likely resulted in many such persons unlawfully attempting to travel to Cuba via third countries. We are currently actively working to develop enforcement strategies to address this mode of circumvention.

Specific licensing of family visits has vastly increased our work load. As a result, processing times are much longer than we would like. This has led to a difficult situation. We understand the pain and suffering and frustration of Cuban-Americans who wish to visit a sick or dying relative on an urgent basis.

Since August of 1994, we have processed more than 3600 requests for such family visits.

Now, with respect to the Helms-Burton bill, there are aspects of the bill the administration generally can support. These include tough international pressures against the Castro government, encouraging the holding of free and fair democratic elections, providing a policy framework for United States support of the Cuban people under a transition to a democratic government, and protecting the rights of U.S. persons who claim confiscated property abroad.

However, it is the administration's view that as currently drafted many of the provisions could hamper the United States' ability to promote a transition to a democracy. The administration is confident that working with the Congress, however, we will be able to address these difficulties and be in a position to further our common goal of promoting real democratic change.

But I can assure you and this committee that whatever becomes law will be enforced with the same vigor and effectiveness that we have been known to use in enforcing the Trading With the Enemy Act and the Cuban Democracy Act.

I appreciate your invitation to be here this afternoon, and would be pleased to attempt to answer any questions you may have regarding the embargo implementation.

[The prepared statement of Mr. Newcomb appears in the appendix.]

Mr. BURTON. Thank you, Mr. Newcomb.

I am sure that Mr. Torricelli, myself and the entire committee would be very anxious to talk over any differences we might have in the legislation. If we can work out those differences, we will be very happy to do so. If we cannot, we will go forward with the legislation, and if we get it passed, then we will let you try to work within the framework of that bill.

One of the problems that I have had, Ambassador Watson, is that while the President says that he is very strongly in favor of the Cuban Democracy Act, there are mixed signals coming out of the White House.

We read in the paper on a fairly regular basis where someone has said that certain segments or certain areas of the embargo ought to be relaxed or removed. I urge you and others to talk to Mr. Halperin and others in the administration and tell them that, diminishes our ability to be effective in getting change down there.

The administration needs to be forceful in supporting the Cuban Democracy Act and whatever we pass. There should be no dissention within the administration about our attitude as a government. We feel these signals coming out in the press that show some mixed views are not in the best interest of our country, and in the best interest of Cuba.

You said something in your remarks, and Mr. Diaz-Balart referred to these, that cost was a problem in implementing the bill as we have written it if we passed it in that same form.

One of the problems that we found when we were in Guantánamo is it is costing \$1 million a day, \$365 million a year, to keep those 30,000 or so Cubans at the camp. Working with the Cuban-American Foundation, the Valladares Foundation, and other foundations, we believe that a large number of those people could be brought in the United States in an orderly way, because those foundations have said that they would pay for their housing, their health care and they would find them a job for at least 1 year, so they would not be a burden on the U.S. taxpayer.

When we were in Guantánamo we saw that the military are not only building tents for these people to live in, they are building permanent type tents, and the military is telling us, that they have been told they may keep those refugees there for 5 to 10 years at a cost of \$1 million a day or more.

In addition to the Cuban Democracy Act, and the legislation we are talking about today, the administration should work with the private foundations and within the framework of previous legislation that grants resident status to people who are fleeing oppression. Many of these people were forced out at gun point, or with threat of a 15-year prison sentence if they did not leave Cuba. It would be preferable to bring them into the United States and reduce that \$1 million a day liability that we are incurring by keeping them at Guantánamo.

We will be holding hearings on this in the future. As I said earlier, if we were to take this approach, it would free up money that is currently being used to house them in an almost prison-like atmosphere down in Guantánamo.

I wish you would convey that to the State Department and to the President. That might be an avenue to free up some funds, number one; number two, to get people out of that repressive kind of envi-

ronment in Guantanamo and into the United States because most of those people, I believe, are fleeing oppression and are not there by choice.

I believe you said, Mr. Newcomb, that \$65 million has been given since the embargo began——

Mr. NEWCOMB. Licensed.

Mr. BURTON [continuing]. For health and medicine; is that correct?

Mr. NEWCOMB. That is correct, Mr. Chairman. I said \$65 million has been licensed——

Mr. BURTON. Licensed.

Mr. NEWCOMB [continuing]. By the Commerce Department for exports.

Mr. BURTON. But you do not know how much has been sent though to date?

Mr. NEWCOMB. No I do not.

Mr. BURTON. And food stuffs as well?

Mr. NEWCOMB. Food, it is okay to donate food. Medicines can be sold or donated with specific licenses.

Mr. BURTON. I see. That information is very important because we will need that in the debate.

Human rights groups, you said, are allowed in Cuba under the provisions of the Cuban Democracy Act. The problem, as I understand it, is that Castro is not letting many human rights groups in there to see really what is going on. Is that correct?

Mr. NEWCOMB. That is correct. There are a very limited number of these kinds of licenses granted. They are granted specifically to enable the holders to go in and look at human rights type violations.

Mr. BURTON. Did you have any comments, Mr. Watson?

Mr. WATSON. Yes, sir, I have a few if I may.

First of all, I just wanted to second your point that this administration and President Clinton, even before he was President, when he was a candidate, expressed his strong support for the Cuban Democracy Act, and has been absolutely firm on that throughout the entire administration, and is still absolutely firm on that.

Everything we do, as I tried to make clear in my remarks, it is within the context of the Cuban Democracy Act. That is the two tracks. Putting the pressure on the embargo, and we have done the very best we can there to implement the new provisions. We think that the trade by subsidiaries of American firms in Third World countries has diminished from about three-quarters of \$1 billion a year to virtually nothing.

Secondly, we know of no violations of the shipping provisions which says that ships at call in Cuban port cannot come to the United States 6 months afterwards. We think we have done a pretty good job in that regard.

Secondly, on the other side, what we call Track Two, which is to reach out to the Cuban people so they do not feel that they are alone and can be prepared for dealing with the transition that is coming to their society and participate effectively in that government, is working well. We are pleased that the telecommunications companies have set up phone links which are being over-subscribed



by callers back and forth, giving real information about real things to the Cuban people.

And we are pleased that we have been able to get Radio Marti and TV Marti working more effectively and reaching more people; and that we have managed to distribute a lot more written materials through our interest section there. And we just had a big book fair there, which is a first of its kind. The American Book Publishers Association went there and distributed books to a lot of people.

So I think—we are working well on both sides of this. And everything the President does in this regard I am confident will be fully in accord with the Cuban Democracy Act.

On the question of cost, I merely was highlighting that we have an obligation as the executive branch to report to the legislative branch if things that are in legislation may incur costs in our view, so that you know what they are. I am not taking a position on them one way or the other. I just think we have the obligation to make that clear.

A lot of it has to do with enforcement of some of the things and large staffs that would be required. Maybe it will be decided that is the right thing to do. And if so, we will have to get the resources for it. It is our obligation to point that out to you.

And on the question of Guantanamo, I think none of us, is pleased with the situation. It is certainly not perfect in Guantanamo. None of us is content, but we have to be sure that we understand the nature of the problem.

The Guantanamo safe haven came about as a result of a complicated process to deal with a real crisis of migration; people losing their lives on the high seas. We provided a safe haven for these people in Guantanamo, and we are trying to provide, and I think the Defense Department deserves enormous credit for this, the best possible facilities and care for them as we possibly can.

Mr. BURTON. I understand.

If we could ask you to suspend on your comments. We have to go vote. Mr. Torricelli may not be back with us. He wants to make a 1-minute comment, and then we will be back in just about 5 or 6 minutes, as soon as we can get back. So I apologize for the interruption.

Mr. WATSON. Of course.

Mr. TORRICELLI. Thank you, Mr. Chairman.

Ambassador Watson, thank you for your statement. And, Mr. Newcomb, I want to join the chairman that on both sides of the aisle from every member we are very indebted to you for the spirit in which you have approached the enforcement of this law, fairly, thoroughly. You have made an important contribution, and we are very grateful to you.

Ambassador Watson, I appreciate every much your statement. I would assume that so much of this new legislation is either built upon or restating aspects of the Cuban Democracy Act, that there are broad avenues of the legislation in which the administration should find some considerable agreement.

The principal additions, using the leverage of agricultural access to this market for those who trade with Cuba, and, of course, for those who are purchasing confiscated American property getting access to the United States. I would urge the administration in

looking at those provisions to come to the conclusion that those are fair aspects of leverage to use in this situation. People who purchase confiscated American property should not by any rights be getting access to this country, and I think the administration should feel comfortable and proud to be able to participate in that aspect of it.

I want to join the chairman though in pledging myself that if we can work with the administration line by line, item by item, we are seeking a broad bipartisan consensus. The speed with which this legislation is passed and its margin of victory are an important component in sending a message to elements within Cuba about the strength of our resolve. And so I know we are all determined to work with you and promptly to get this done properly.

Thank you, Mr. Chairman.

Mr. BURTON. Thank you.

We will stand in recess for about 5 or 10 minutes.

[Recess.]

Mr. BURTON. Before we start, let me just say that any members who want to make statements for the record have 5 legislative days within which to do that.

Representative Smith.

Mr. SMITH. Thank you very much, Mr. Chairman, and I want to thank our two distinguished witnesses for their testimony, and just raise a couple of questions.

The first, in reading Freedom House's fine testimony, Frank Calzon, I think has done a masterful job in showing just how important the issues are that we are dealing with, and he makes a very, very, I think, astute statement. He points out, and I quote,

The administration's policy to detain Cuban refugees, men, women and children, behind barbed wire in American custody, however, is a serious foreign policy mistake because it strengthens Castro's hand, inflicts unnecessary suffering on the Cuban people, delays the inevitable transition to democratic Cuba, and in so doing undermines American interests in the region.

A very powerful, unfortunately a very powerful indictment of the policy.

But he also makes the point, and I think this should, and I would ask you to respond to this, especially in light of the Castro-Clinton agreement of last year, that—would somebody please get the door? That Castro learned a lesson that appears to have escaped some policy analysts. A large uncontrolled flow of refugees, particularly in the aftermath of the collapse of the Soviet Communism, is a major threat to the stability and indeed the very survival of his regime.

It is no accident, as the Marxists used to say, that the East German Communist regime collapsed when confronted by widespread public rejection, as evidenced by thousands of men and women willing to escape to freedom with little more than the clothes on their backs.

Had the various European countries that sided with the German refugees closed their borders, and, of course, the analogy here is that to a very large degree we have closed ours, and had the West signed the agreement with Honecker to keep his people behind the Berlin Wall, the map of Europe would no doubt look different today.

And my question is, first question, if you could respond to that statement, because many of us believe that the Cubans, by leaving, I mean Castro will offer some of those who he considers to be troublemakers the ability to leave, but when there is a mass exodus, and there is a lack of former Soviet now, or Russian support pumping up the regime, that the days are numbered, and this regime, this government, this tyrannical government, would implode. By keeping people behind his curtain, so to speak, and by us aiding and abetting that, we actually help propped up, however unwitting. I do not think that is what the administration had in mind, but that is a reasonable consequence one could infer as a result.

Could you respond to that, Mr. Ambassador?

Mr. WATSON. Sure, Congressman Smith.

I think that, as I was saying a little bit earlier, we have to look at the origin of this, and the cynical manipulation by Fidel Castro to the welfare of his people for his own political ends. And it is a dramatically different situation, I think, between people who are fleeing from Eastern Germany and going across the land border to the countries next door, to having people set out to sea in terribly difficult waters on very, very flimsy vessels, which results in loss of life and severe hardship.

And, frankly, you know, I do not think we should be a part of that, and we should do everything we can to make sure that that does not happen.

As I was saying earlier, you know, the safe haven arrangement in Guantanamo is not an ideal solution. But when you think of the things that we are trying to do, save peoples' lives, stop the further outflow which risks peoples' lives, find a way for the people who have come out to at least have the basics, this seems to us to be, while not perfect, the best of a series of imperfect solutions.

We are, of course, working very hard to find third countries that will take some of these people. We have four categories of people that we have been bringing into the United States, as you are aware: children without any guardians, the elderly over 70, the ones who are really sick, and now children under the age of 18 with their guardians. We are doing the best we can. I think we have taken in about 6,000 or so humanitarian parolees.

Meanwhile, we try to get at this question of desire of Cubans to leave through an orderly process, and that is what the migration agreement of September 9 was all about.

Mr. SMITH. Could you speak to the criteria? We know that again Castro would not gladly, but he would rid himself of some of his longtime dissidents. But what about the average person? What criteria, how many people have applied to exit Cuba? What methods have been used? Is there any evidence whatsoever that methods employed by Fidel Castro and his goons has led to the imprisonment, beatings or any kind of maltreatment of people seeking to leave?

Mr. WATSON. I do not think we have evidence of that. What we do have is obstructionism on the part of the regime of making it more difficult for the people who are going to leave by charging them a high air fare and things like that. But thus far, our procedures are working very well. Half a year has gone by since we started this. We promised to take at least 20,000 people. We have



taken the amount that you would expect to take in the first half of the year; you know, building up more rapidly the latter part of the year the number of people that count toward the 20,000. We have taken about 4,000 people above and beyond the 20,000 as well.

So I think from our point of view the procedures are working well, and our interest section there deserves a lot of credit for getting this thing up and running quickly and managing it well.

The average person has a variety of ways to come; by immigrant visas, by parole, refugee status, et cetera. There is also a lottery by which people can put their name in a hat and have it drawn and be attended to.

Mr. SMITH. One very quickly, do you reject Mr. Calzon's point made as I read to you from his testimony, that we actually strengthen the Castro regime by not allowing a mass exodus which would have happened in all likelihood?

Mr. WATSON. I think an argument can be made, that, over time at some point the exodus of people from a place like Cuba would have a very damaging deleterious effect on the regime. It is awfully hard to know when that would be, and where it would be. And meanwhile, what you are talking about is people going out in these small craft out in the oceans and risking their lives, and you have to draw a balance between those two things, I think.

Mr. BURTON. Mr. Menendez.

Mr. MENENDEZ. Thank you, Mr. Chairman.

Ambassador Watson, I have great respect for your work, and I hope you will take my questions in the light of it. You are the administration's representative here.

Mr. WATSON. Yes, sir.

Mr. MENENDEZ. And, Mr. Newcomb, I appreciate your work greatly as someone who has often called your office. You have been very responsive in all of your efforts.

You talked about a recent book fair in Cuba. Is it not fair to say that some of those books were interdicted by the regime, and in fact some Cuban writers who were invited to a meeting with American publishers were prevented to do so by the regime?

Mr. WATSON. I think that is correct, but I might add that for awhile the Cuban authorities prevented the chief of our interest section, Mr. Joe Sullivan, from attending the fair.

Mr. MENENDEZ. Let me ask you, when you produce testimony before a committee like this, that testimony has to, I understand, or when anybody testifies as a matter of fact for the State Department, goes through an interagency process, does it not?

Mr. WATSON. Yes, sir.

Mr. MENENDEZ. And could you describe to us what that interagency process is?

Mr. WATSON. On this particular testimony?

Mr. MENENDEZ. Yes.

Mr. WATSON. Yes, this testimony was drafted by us in the State Department, in the Bureau of Inter-American Affairs, and circulated in draft to other bureaus of the State Department and other interested agencies for their views.

Mr. MENENDEZ. Such as, what are the interested agencies?

Mr. WATSON. Well, certainly Treasury, Justice, National—



Mr. MENENDEZ. National Security?

Mr. WATSON [continuing]. Security Council staff, yes, sir.

Mr. MENENDEZ. Now, your draft is not necessarily the draft that ultimately gets presented to a committee? It may be changed along the way, is that not the case?

Mr. WATSON. It may be, but I should tell you that I do not even necessarily see the very first draft. We get a lot of opinions first, then we work it out. We did a final draft yesterday. I went over it. We cleared it again and that is what you see.

Mr. MENENDEZ. Who runs Cuba policy in this administration?

Mr. WATSON. I think the President of the United States runs the Cuba policy.

Mr. MENENDEZ. And after him, who executes it for him?

Mr. WATSON. I think the primary executing agency, depending on the aspect of the policy you are talking about, is the State Department. But of course, we have seen how important the role of Treasury is, and Justice, and Defense Department, as well.

Mr. MENENDEZ. Would you say the State Department is the lead agency on Cuba policy? Does it co-share that with the National Security Council?

Mr. WATSON. I would think that the President has assigned lead responsibility for the management of foreign policy to the Secretary of State.

Mr. MENENDEZ. What role does the National Security Council play as it relates to Cuba policy?

Mr. WATSON. Well, the National Security Council, of course, is the President and his very top cabinet advisors, and then there is the National Security Council staff that provides advice to the President, and sometimes performs a coordinating function among agencies in the administration.

Mr. MENENDEZ. Are you familiar with the Washington Post article which lists allegedly a memorandum and/or an options paper to the President that lists a series of options different than, allegedly different than the policy that we presently have? Are you aware of that memorandum or option paper?

Mr. WATSON. Yes, I have read that article, and I understand that such a paper exists. I have not seen the paper.

Mr. MENENDEZ. You have not seen the paper?

Mr. WATSON. No, sir.

Mr. MENENDEZ. Did you participate in its formulation?

Mr. WATSON. No, sir.

Mr. MENENDEZ. You did not participate in its formulation?

Mr. WATSON. I did not. My understanding is that it is an internal National Security Council staff paper, which is a paper which we would not normally see.

Mr. MENENDEZ. So it does not include the views of the State Department within it?

Mr. WATSON. Since I have not seen exactly what the paper says, I cannot be sure of what views they represent.

Mr. MENENDEZ. Well, who within the State Department participates in Cuba policy planning? Yourself, I would gather.

Mr. WATSON. I do the best I can, sir.

Mr. MENENDEZ. I certainly hope so. I mean, we are really lost if you are not.

Mr. WATSON. And other——

Mr. MENENDEZ. Mr. Hays, is he part of it?

Mr. WATSON. Certainly is. Certainly is.

Mr. MENENDEZ. Who else?

Mr. WATSON. And then all of the people that work on Cuban issues in Mr. Hays' office, and then above me there would be a variety of under secretaries. Mr. Tarnoff would be the principal one.

Mr. MENENDEZ. Well, we have Mr. Hays here, Mr. Chairman. Is it permissible to ask Mr. Hays whether he participated in the drafting of this memorandum?

Mr. BURTON. Beg your pardon, sir?

Mr. MENENDEZ. Would it be permissible to ask Mr. Hays, since he is here, whether—or can Ambassador Watson tell us on his behalf that he participated in the drafting of the——

Mr. BURTON. I think that this question needs to be answered. The problem is we have about 4 minutes on the vote.

Mr. MENENDEZ. OK.

Mr. BURTON. Would you mind coming back? If you could wait just a little longer, we will be right back. I think this is very, very important.

Mr. WATSON. I can answer that question in one word.

Mr. BURTON. Well, I know, but there is something I want to ask you too. So if you could stick around a little bit, we would really appreciate it.

We will suspend for just a little bit.

[Recess.]

Mr. BURTON. We will reconvene this hearing. We will probably have another vote in another 30 minutes, and I would like to try to wrap this up in that period of time. We have another panel coming up.

Representative Menendez was asking some very important questions, so we will resume with Representative Menendez.

Mr. MENENDEZ. Thank you, Mr. Chairman. I will be brief. I just want to understand the dynamics.

When I left, I had asked the question as to whether Mr. Hays, as a matter of fact, if anyone in the State Department had participated in—I am trying to have an idea of who participates in this memorandum. The chairman and I were having a conversation. I want to make sure I got your answer correct.

When I asked you whether you were aware of the memorandum, you said that you had read the Washington Post article; is that correct?

Mr. WATSON. Yes.

Mr. MENENDEZ. Yes, and therefore you saw it there. Did you go on to say that you—and you believe that such a memorandum exists?

Mr. WATSON. I said I understand——

Mr. MENENDEZ. Understand.

Mr. WATSON [continuing]. That there is a memorandum——

Mr. MENENDEZ. All right.

Mr. WATSON [continuing]. That the Washington Post was talking about, but I have not ever seen that memorandum.

Mr. MENENDEZ. That is correct.

Mr. WATSON. And I would not normally. These memoranda are circulated around the staff level all the time inside agencies. I mean, I am getting memoranda from my folks all the time. Sometimes they are good. Sometimes they are not so good. But it is all part of the deliberative process. So I would not necessarily see anything from the NSC.

Mr. MENENDEZ. Right.

Mr. WATSON. In the final analysis, of course, on any of these major foreign policy issues it is the President who that will make a decision, and I would expect, as is normally the case, there would be, you know, a full interagency process for dealing with it.

Mr. MENENDEZ. Can you give me the answer to the question on Mr. Hays?

Mr. WATSON. He has no participation in preparation of any such memo. As far as I know, it is an NSC internal memo.

Mr. MENENDEZ. OK. So one other question. In this interagency process, Mr. Chairman, if we could get from all of the agencies involved a request, not just the State Department, but all of the agencies involved, as to who is it that sits in the interagency process so that we could finally find out, other than, of course, the President and the Secretary of State, but on the day-to-day occurrence who in fact helps formulate Cuba policy for the country. I think it would be real important for us to know who we are dealing with.

Let me just ask the following. When you interface with the National Security Council on the question of Cuba policy, who is the individual or individuals who in fact you interface with most frequently? Who is the designated person?

When I think of the State Department, I think of you, and I think of Mr. Hays, and Ambassador Skol as the primary people. It does mean that Mr. Tarnoff and others are not involved, obviously. You know there is obviously a division of labor. Who is it that you constantly speak to at the National Security Council?

Mr. WATSON. Well, Congressmen, there are a lot of different people who you deal with on different kinds of issues. I mean, there are people who work largely on the refugee and migration question, and those would be questions that I would be involved in. Different people in the State Department from me would be working on them, and different people at other agencies would be working. There are a lot of different people we are dealing with on different aspects of these kinds of issues.

Mr. MENENDEZ. Well, let us talk about—let me just ask you one further question. Forget about refugees. Talking about policy vis-a-vis the United States and the Castro dictatorship. Who would you speak to at the NSC?

Mr. WATSON. Well, I am a little uncomfortable talking about individuals in this sort of a fashion, but the National Security advisor and senior director for Latin America is my colleague, Richard Feinberg, and the people he works with over there. Of course, there are other people as well that deal with different aspects of this. There is—sometimes we deal with Dick Clark, sometimes with Morton Halperin, sometimes with higher level people like the National Security advisor and his people. So we deal with a wide range of people.

Mr. MENENDEZ. Let me just close, Mr. Chairman. I appreciate—you know, if we had other people here, why I would ask the question. There seems difficulty in getting people here. And then when we are going to get them, sometimes they get pulled. I know Ambassador Skol was pulled at one point at one of these hearings.

Let me just say that it is clear to me that if we are going to have, whether it would be Cuba or any other policy, a clear, cohesive and effective—most importantly—an effective policy, we cannot constantly have different trial balloons being sent out by those who would prefer to see policy that is different than what the President has clearly stated.

And in that respect, and my questions are aimed at trying to understand how it is that we constantly find ourselves in the throes of having what is alleged to be different and changing, you know, I understand evolutionary policy, but I do not understand policy that constantly contradicts what is the stated policy of the administration, those efforts against what are the stated policies of the administration unless, in fact, the administration is seeking to change its policy; something I do not believe, something I have heard your testimony on, something that I believe that the President himself does not wish to change. And, of course, if he were, I would have my opinion then.

But the problem is we are weakened by this whole process in terms of communicating to the world and to our allies exactly what is our policy.

And I hope, Mr. Chairman, you will call members of the National Security Council before the committee because in fact we need to get at the root of this as we try to move forward.

I appreciate your comments.

Mr. BURTON. Mr. Menendez, you can count on it because if these kinds of memoranda are being sent around, and if it is in direct conflict with not only the state policy of this administration, but the law of the land, then we will request them to appear. If they will not appear voluntarily, we will subpoena them, because I want to know if anybody is trying to undermine the laws or the policies of this nation.

Does the State Department subscribe to this memo? You may or may not have seen the memo. You said you read about it.

Mr. WATSON. Mr. Chairman, we have not seen the memorandum.

Mr. BURTON. So you do not know?

Mr. WATSON. I have no comment to make on it.

Mr. BURTON. OK. Do you believe that Mr. Lake or anyone else in authority has told the Canadians or any other foreign power that if the LIBERTAD act passes, the administration will work to delay and lessen its impact on their citizens?

Mr. WATSON. No, I do not know that.

Mr. BURTON. You have heard nothing like that?

Mr. WATSON. As I tried to say, Mr. Chairman, we have been conducting interagency review—

Mr. BURTON. And you have heard nothing like this?

Mr. WATSON [continuing]. Of the—of the bill that you have presented and the Senate version as well. We have looked at it very carefully to make sure we are responsible as we deal with you so we can tell you what the implications are.



Mr. BURTON. You answered my question, I think. We were just wondering if you had heard that Mr. Lake was telling the Canadians this information, through the grape vine at the State Department, because we have been told that might be the case.

What is the current status of Radio Marti? Is it true that the signal has been diminished? And if it has, why? Has that not made it easier for Fidel Castro to jam the signal? What is stopping us from simply upgrading the signal strength again if they have diminished it?

Now, as a corollary to that, is it true that the Japanese sold Castro sophisticated equipment to more effectively jam Radio Marti? And have we confronted the Japanese on this issue, and do you know what company made that sale to Castro?

Mr. WATSON. On the last point first, Mr. Chairman, I understand the Cuban regime has some Japanese jamming equipment that they are using. I personally do not know where they got it, how they got it, if they bought it, stole it, how they came to have it.

I do understand, though, it has been causing some difficulties for our broadcasting.

Mr. BURTON. Have we diminished the signal on Radio Marti?

Mr. WATSON. Radio Marti, as I understand it, and I got this information from them yesterday, is that we went up to 100,000 kilowatts awhile ago, and now we are back down to 50,000 kilowatts. The Bureau of Broadcasting is considering making a formal request to upgrade its medium wave frequency. And if that is approved, then the FCC would have to approve it, and then we would be able to broadcast again at 100,000 kilowatts.

Mr. BURTON. We urge the administration and the State Department to have it at maximum velocity, because we want everybody to hear the signal. We are spending millions of dollars of taxpayers money, to make sure that the message gets through to the Cuban people, and it seems to me inconsistent with our policy to have a radio signal cut in half. So we urge the State Department and the administration and the FCC to restore its strength. If necessary, we will be glad to write to them to make sure that signal is restored to 100,000.

Thank you very much for your patience.

Mr. WATSON. Thank you, sir.

Mr. BURTON. You have done a good job. Mr. Newcomb, thanks for your patience as well.

On next panel: Frank Calzon is currently at Freedom House, but is well know to all those who are fighting for freedom in Cuba. He has written extensively and persuasively about human rights abuses in Cuba, and recently returned from Geneva, where he attended the U.N. Human Rights Commission.

Colonel Juan Montes served with the Joint Task Force enforcing the embargo, and his experience will be invaluable for us to hear about. He is also the president of the Cuban-American Veterans Group.

And last but not least is Pablo Reyes Martinez, a journalist who just defected from Cuba last week. He will speak to us about the attitude of the Cuban people toward the U.S. embargo. Welcome to the United States. We are very happy to have you here. Welcome to freedom.

We will begin with Pablo Reyes Martinez. Ms. Ninoska Perez of the Cuban-American National Foundation will translate for him.

If we could restrict it to 5 minutes, we would appreciate it.

### STATEMENT OF PABLO REYES MARTINEZ, DISSIDENT JOURNALIST

Mr. REYES MARTINEZ. I am Pablo Reyes Martinez, a philosophy professor and former political prisoner who was condemned to 8 years imprisonment for practicing free and independent journalism, contrary to the official party line, which is the only one that prevails in the island.

This journalistic effort of mine was in response to the inexistence of a free press in Cuba, and the reason why I resorted to outside radio station such as Radio Marti, the Voice of the Cuban-American National Foundation, and others, which serve to divulge the truth about Cuba.

I have arrived in exile after enormous efforts on the parts of political and international human rights organizations which are a reflection of the need to continue denouncing the situation of Cuba's political prisoners.

During my journalistic activity, I had the opportunity to interview a wide cross-section of the people of my country comprised of workers, housewives, farmers, professionals and intellectuals with regard to the economic embargo of the United States against the Cuban Government. There were numerous interviews recorded on tape which reveal the full identities of those interviewed.

I was able to confirm that the people of Cuba understand and approve of as the most efficient means with which to put an end to Fidel Castro's dictatorship the economic embargo applied by the United States against the totalitarian regime of Fidel Castro.

During said interviews, it was evident that what was expressed by the workers, farmers and other sectors truly reflected the fact that the acute shortages that the Cuban people suffer were not a result of the U.S. embargo, but a result of the failed economic policy of Castro's dictatorship.

My interviews which would eventually land me in prison served to express the desire of the Cuban people to live in freedom. It was worth it, and I would do it again 1,000 times over if it would help achieve Jose Marti's dream of a better Cuba for all.

For all I have mentioned and from this tribune, Mr. Chairman, I am expressing without a doubt the opinion of the immense majority of the Cuban people. I wish to reaffirm once more that the proper specific and calculated way to put an end to Castro's totalitarian regime in the island is to continue firmly with what this historic moment requires the policy of the economic embargo and with it the unrestricted support to all measures which contribute to the strengthening of the embargo, such as the Cuban Democracy Act, known as the Torricelli bill, and the Helms-Burton amendment.

If the world understood that there was a need to end apartheid in South Africa through international solidarity, as well as to find an immediate solution to Haiti's problems through an international embargo, the issue of Cuba should also be considered in order to put an end to the terrible situation the Cuban people face, which amounts to 36 years of a long dictatorship.

Members of such distinguished panel, do not let yourselves be deceived. The Cubans in the island are not anti-American. Neither do they want a socialist future. We believe in the same principles which made this nation great, democracy, free enterprise and freedom of expression. That is why I went to prison, convinced as I was, and as I am, of the noble wishes of my people.

If severe economic sanctions continue to be imposed without economic resources, Cuba's government will be forced to take the necessary steps to bring about the democracy and freedom which the Cuban people claim and other democratic countries in the world demand.

Mr. Chairman, thank you for the opportunity you have given me.

Mr. BURTON. Thank you, Mr. Reyes. Welcome to our country, and to your country.

Now we will go to Mr. Calzon.

[The statement of Mr. Reyes Martinez appears in the appendix.]

### STATEMENT OF FRANK CALZON, WASHINGTON REPRESENTATIVE, FREEDOM HOUSE

Mr. CALZON. Mr. Chairman, I am pleased to appear before you on a subject that is of great concern to Freedom House and to me personally. At the outset I would like to express my appreciation and that of the Cuban people to you for your legislative efforts in favor of a transition to democracy in Cuba.

I appear before the subcommittee on behalf of Freedom House, an independent bipartisan organization, founded in 1941 to oppose the Nazi onslaught in Europe. Since then, Freedom House has promoted democracy and human rights around the world.

The U.S. Ambassador to the United Nations, Madeleine Albright, recently articulated the reasons for trade sanctions against Iraq. We have also seen how sanctions against South Africa prodded the regime toward democracy. In our own hemisphere, the world community supported the democratic aspirations of the Haitian people.

I would like to discuss four issues that in my view are central to the formulation of U.S. policy toward Cuba.

First, the embargo. In recent weeks press articles have urged the end of a U.S. trade embargo. For those willing to give Castro the benefit of the doubt, the embargo is a cause of food rationing and great suffering in Cuba, while others argue that the sanctions deny American business the opportunity to make great profits.

Despite 36 years of censorship and indoctrination, in a country where every magazine, newspaper, radio and television station repeat the maximum leader's dictums, the Cubans know better. The Cubans do not blame U.S. policy for shortages of bananas, tomatoes, fish and sugar in a tropical island; instead they blame Fidel Castro's insistence on maintaining the same bankrupt Marxist economic system that has failed everywhere else it has been tried.

As far as great profits to be made in Cuba, the average Cuban earns the equivalent of \$3 or \$4 per month, which means purchasing power exists only in the hands of tourists; tourists, who are greatly resented by the people because they have access to special hotels, stores and beaches which are off limits to most Cubans.

As was the case in South Africa, there are courageous individuals in Cuba who, in spite of great personal danger, continue to call not

for the lifting of the sanctions, but for the world community to join the United States in tightening the embargo to force the dictator to leave.

At the end of my testimony I would like to play for you a statement video taped in Havana by a prominent human rights leader.

Second, I would like to mention briefly the administration's immigration policy. We are certainly grateful to President Clinton for permitting a number of children, elderly and ill refugees who have been held at the U.S. base in Guantanamo to enter the United States. And we pray that the President will continue to take a personal interest in the plight of the refugees.

I am sorry to say, however, that the administration's policy to detain Cuban refugees, men, women and children behind barbed wire in American custody is a serious foreign policy mistake. Several months ago Freedom House requested permission to send a fact finding mission to Guantanamo, and we hope that the administration will approve the trip soon.

One of the key elements of Castro's strategy to remain in power is precisely his denial of the right of free travel to the Cubans. Castro learned a lesson that appears to have escaped some policy analysts. A large uncontrolled flow of refugees, particularly in the aftermath of the collapse of Soviet Communism, is a major threat to the stability and indeed the very survival of his regime. It is a fact, that the East German Communist regime collapsed when confronted by widespread public rejection as evidenced by thousands of men and women willing to escape to freedom with little more than the clothes on their backs. That the various European countries that took in the Germans closed their borders, and had the West sign an agreement with Honecker to keep his people behind the Berlin Wall, the map of Europe would no doubt look different today.

Third, I would like to briefly make a short reference to the American Administration's pro-democracy program. To date, American efforts to promote democratic institutions around the world have been directed toward societies which are already democratic or in transition. Incredible as it seems, with the exception of comparatively modest programs by the National Endowment for Democracy, American solidarity and support is sorely lacking where it is needed the most.

Current victims and dissident leaders under Communist rule, the Chinese Walesas, the Vietnamese Solzhenitsyns, and the Cuban Havels cry for help, but are told they will have to wait until the dictators are no longer in power and American concerns are not perceived as provocations by the regimes.

Mr. Chairman, I see my time has ended. I have a brief section on Radio Marti. Basically, I call to the attention of the committee the fact that Castro has purchased new jamming equipment, as Ambassador Watson pointed out. And I call on the committee to hold hearings as soon as possible. I think it would be a tragedy, as we have seen in some press reports, if Radio Marti were to be moved to Miami. The thing to do is to get Radio and TV Marti into Cuba.

Finally, I would like to ask the committee and the White House to pay special attention to the voices from inside Cuba, the pleas



of men and women who confront the repression of Castro's thugs every day. One such leader is Gustavo Arcos. Gustavo Arcos is a veteran of the attack on the Moncada Barracks. This is the attack that began Castro's revolution. He was at Fidel Castro's side fighting against the previous dictatorship. After the revolutionary victory, he became Ambassador of Cuba in Europe.

Due to his democratic beliefs, he ended up in Castro's prisons. He is today the executive director of the Cuban Committee for Human Rights. We have a small program at Freedom House which communicates with the human rights community in Cuba and we were able to obtain some time back a brief statement, I think it is about three minutes, by Gustavo Arcos telling us what he believes should be the American position in regard to the embargo.

We have it ready and it has subtitles.

Mr. BURTON. You are telling me that this man served with Castro, helped him during the overthrow of Batista, and——

Mr. CALZON. Yes, sir.

Mr. BURTON [continuing]. Was an ambassador, and subsequently——

Mr. CALZON. Had been a political prisoner.

Mr. BURTON. I understand. We will now see the video.

Mr. CALZON. It has subtitles so I guess you could see it. I do not know about the rest of you. You have to look down very close to it.

[Video presentation.]

[The prepared statement of Mr. Calzon appears in the Appendix.]

Mr. BURTON. Thank you very much. That says it all.

Let me now turn to Mr. Montes, Colonel Montes.

#### STATEMENT OF JUAN A. MONTES, UNITED STATES ARMY [RETIRED]

Colonel MONTES. No problem. You know, the easiest thing is to give the microphone to a Cuban. The difficult thing is to take it away from him. Castro has been at that microphone for 36 years. We have to cut the use from it.

Mr. BURTON. I understand.

Colonel MONTES. I would like to request at this time that my statement, my long statement will be a part of the record.

Mr. BURTON. Without objection.

Colonel MONTES. I want to thank God for granting me this great opportunity and to the members of this subcommittee for allowing me to speak to you on Cuba, my place of birth. I was the first Cuban-American soldier in the U.S. Army under the late President John F. Kennedy's Program, "Cubans in the United States Armed Forces." The program was enacted in 1961, which is a Cuban unit, had about 5,000 of them, shortly after the failure of the Bay of Pigs.

I am President of the Cuban American Veterans Association (CAVA), an organization which represents more than 30,000 Cuban-Americans who served throughout wars and conflicts in which the United States was involved. Finally, I am here as a member of the Cuban Unity.

No other former Soviet satellite nation has been as widely involved in terrorism and subversion as Cuba. It has been threaten-

ing world peace and stability in this hemisphere since Castro's takeover of power in 1959. Castro has held power longer than any other dictator in the world.

What is certain is that Castro is an absolute ruler without any intention to abandon power or alter his political objectives. He will only make as many cosmetic changes and minor political adjustments following Communist China's model in an effort to prolong his stay in power.

Today the Cuban ruling elite receive economic and military aid from Russia, including the equivalent of \$200 million in support of the highly sophisticated intelligence collection facilities in Lourdes, near Havana. They also receive benefits from their relationship with Mexico, Japan, Israel, Canada, Spain, France, Panama, Colombia, and other former Soviet block countries that maintain diplomatic and economic relations with Cuba.

Even a small military force strategically positioned as those in Cuba 90 to 150 miles from our shores, and in close proximity to the Americas, would be capable of interdicting sea locks of the communication and choke points in the Caribbean Seas, the Gulf of Mexico and the approaches to the Panama Canal vital to our shipping lanes.

The Caribbean states provide 60 percent of America's aluminum, and approximately 75 percent of our strategic materials for our industries and defense and 65 percent of our imported oil which also pass through these sea locks of communications. In addition, 75 percent of our military strategic response must originate from the Gulf coast, including the use of the Panama Canal.

Castro's Armed Forces have the capability, and I am saying capability, to launch a well coordinated surprise attack to any Caribbean neighbor including the continental United States. Using his small strategic forces he can conduct a brief campaign that will not require continuity of action, and rapidly deploy an attack of stationary targets or targets of opportunity such as Turkey Point Nuclear Power Plant and other nuclear power plants in Florida and military targets.

The Department of the Americas is the entity which carries out special operations to compromise leaders, diplomats, businessmen, financiers from other countries so they are in favor of Cuba at elections by the Organization of American States, the United Nations, commercial or financial institutions. If Castro cannot attain what he desires legally or diplomatically he reverts to special measures.

The Government of Cuba is now more selective in targeting countries like Mexico with huge oil reserves in the Chiapas region where the Sub-commandant Marcos and the Ejercito Zapatista launched guerrilla warfare operations.

Cuba has planted the seeds of terrorism and revolution throughout the Caribbean, Mexico and the Americas for decades. The Cuban DGI, Directorate General of Intelligence, has become one of the most sophisticated, agile and effective espionage apparatus in the world. DGI operatives act with impunity in the United States, Canada, Mexico and other countries.

An officer from Castro's army who arrived in the United States via Mariel in 1980 informed us that the training his battalion had received in the use of nuclear, chemical and biological weapons. Of

particular interest was his description of teams being trained to infiltrate the United States, poison the water supplies of large cities.

Within the realm of chemical and psychological warfare, we can include the subtle yet possibly the most dangerous of Cuba's arsenal: drugs and money laundering. All of these can be evidenced by the judicial cases against narcotraffickers in the military, a case like General Ochoa of Cuba, and General Noriega of Panama.

Castro, Arafat, Qadhafi and Hussein are the four pillars which sustain the net of international terrorism against the world democracies, and especially the United States. Cuba has facilitated refuge and protection to guerrillas from all these terrorist organizations.

No one can dispute the poor quality of materials, the lack of technical and professional assistance provided by Russia, the fact that objectivity and basic security is severely lacking at the construction site of the nuclear power plant in Jaragua at Cienfuegos.

If Cuba's grave economic situation continues, it could degenerate into social, political or chaos of unmanageable proportions. Castro may very well create the conditions for another Mariel, or may open access to Guantanamo Naval Station.

Today, Guantanamo (GTMO) represents a deplorable situation. The base is hampered by the presence of 20,000 or more Cubans and Haitians detained against their will in tent cities for undetermined period of time. These great combat marines and other military personnel are performing a mission not inherent to the defense of the base. Actually, they are being distracted from their real mission, the defense of the base from the Cuban Border Brigade a few yards away from the perimeter fence.

In reference to the Cuban Liberty and Democratic Solidarity Act of 1995 and the economic embargo of Cuba, the argument that the Government of Cuba, a constant violator of human rights, is nothing more than a minor problem or a nuisance, is a simplistic and erroneous attempt to diminish the realistic threat of the Castro regime, and a more complex dangerous and potent threat facing the United States and the Americas. This bill is the necessary instrumentality along with the Senate bill proposed by Senator Helm that will facilitate and accelerate Castro's downfall.

The bill 927 contemplates the preparation and transition of the Cuban armed forces to a democratic one and their new role in a democracy. The message is very clear to the Cuban Armed Forces as it is proposed in the bill, aimed at seeking their direct role and involvement in a peaceful transition to freedom. This is the first time that the U.S. Government proposes a clear policy on the Cuban Armed Forces and provides a term of reference to the Ministry of the Armed Forces members in a democratic system post-Castro.

The bill 927 contemplates either to return the U.S. Naval Base at Guantanamo, Cuba to Cuba, or to renegotiate the current terms of agreement. These two items in the proposed legislation are a legitimate and great hope for the future of a free and democratic Cuba. Radio and TV Marti, among other radio stations from Miami, will be capable of providing timely and accurate information on these bills to the Cuban people and the Cuban Armed Forces.



In closing, I would like to add "Cuba must be free from oppression" as "de oppresso liber" motto of the U.S. Special Forces crest reflects on their green Berets and uniforms. President Reagan once said, "The national security of all the Americas is at stake in Central America and the Caribbean. If we cannot defend ourselves there, we cannot expect to prevail elsewhere, our credibility would collapse, our alliances would crumble, and the safety of our homeland would be put at jeopardy."

Thank you very much, sir. I am ready for your questions if you have any.

[The prepared statement of Colonel Montes appears in the appendix.]

Mr. BURTON. Thank you, Colonel Montes. That was a very good statement. I think all of you made very excellent statements.

You said that the Cuban Government has the ability to make a direct military attack on the United States or attack the U.S. through poisoning water supplies. Is that correct?

Colonel MONTES. That is right, sir. We have the—it was a lieutenant that came from Cuba in 1980 due to the Mariel boat lift, and the columnist Jack Anderson in one of his columns addressed this situation. And from that moment on nothing was said about this capability the Cuban Government has because of the possibility of panic or chaos it could create in the United States. One or two individuals very well poised with a simple bottle of anthrax or any other type of poison and dropping in an aqueduct or a source for a large population. So this is a devastating situation if that could happen. But Castro has the capabilities. It is like having a weapon at home and you do not use it, it is your prerogative, but it is there. So he has it.

Mr. BURTON. I would imagine any one of the terrorist states you mention probably could do the same thing, but it is unfortunate that it is even thought of.

One of the things that bothers me is that Mexico, Japan, Israel, Canada, Spain, France, Panama, Colombia and former Soviet bloc countries maintain diplomatic and economic relations with Cuba.

Is the Cuban government getting support from Israel?

Colonel MONTES. Yes, sir. As a matter of fact—

Mr. BURTON. What kind of support?

Colonel MONTES. Let me state that very clear to you. Last week I was in the office of Commissioner Pedro Reborado, a Dade County metro commissioner. And he showed me some pictures taken from a high altitude of the Cuban northern coast. There are approximately 60 square miles of citrus produce farms by the Israelis in Cuba at this present time. This is something that should not be taken very lightly, and I am sure our intelligence agencies can monitor this. If a civilian can find this, I am sure our intelligence capability can.

Mr. BURTON. Is this a private citizen or the Government of Israel that is—

Colonel MONTES. I would think, sir, they are private citizens involved in that.

Mr. BURTON. Do you have any evidence that the Government of Israel is actually supporting this?

Colonel MONTES. No, sir, I do not.



Mr. BURTON. You do not. Well, we will try to make an inquiry and find out.

What other countries are supporting Castro, and what evidence do you have? Mexico, we know, is giving direct and indirect assistance.

Colonel MONTES. Affirmative.

Mr. BURTON. Japan?

Colonel MONTES. The Japanese private businessmen.

Mr. BURTON. Just selling products?

Colonel MONTES. Yes, sir.

Mr. BURTON. OK.

Colonel MONTES. Well, the government is in a way indirectly involved when the citizens are allowed to do this type of activity. In a way the country indirectly is supporting the activities of their citizens, whether it is legal or not.

Mr. BURTON. All right. I do not think I have any questions. Ms. Ros-Lehtinen, do you have any questions?

Ms. ROS-LEHTINEN. Yes, just one.

First of all, Mr. Chairman, I want to thank you again for your leadership in holding once again another hearing on the issue of the repression and the oppression of the Cuban people enslaved in Cuba. I think that we have all been amazed at the amount of interest shown by yourself, by your staff on this interest, on the issue of the oppression in Cuba and on behalf of the constituents in my congressional district, for whom this issue of freedom and democracy in Cuba is not an international issue, but a very domestic issue. We thank you from the bottom of our hearts for your strong and able leadership.

And I would like to thank the panelists who are here today, the political prisoner, people who speak for political prisoners and people who know what it is to fight for liberty and for the freedom and the ideals that we sometimes take so lightly in this country. I think each of you from different perspectives all say the same thing, and I think that all of you are carrying the wishes and the aspirations of the Cuban people very firmly and strongly in your hearts, and it is because we have such able spokespersons like the ones here before us in our panelists that we are able to do our job here in Congress of making other members of Congress aware that even though we might be attacking the issue using different weapons, we still have the same goal in mind, and that is the downfall of Fidel Castro and the establishment of freedom and democracy for the people of Cuba.

I just have one question of a general nature to ask you about the U.N. Human Rights Commission in Geneva. Do you think that for next year, we hope that, of course, we do not have to be there again because what we will be doing is talking in the positive terms of freedom and democracy that we will soon enjoy. But what else can we do to gather more support from our allies, either the countries who are abstaining from voting or the countries who vote against us? What more can we do as a body and as a people who love and cherish freedom, to get others to understand the plight of the oppressed people in Cuba?

What is it that we are doing wrong and what can we do to get more support for our position and more vocal support as well? Mr. Calzon, and if I could ask the others as well.

Mr. CALZON. I returned from Geneva a couple weeks ago, and I think there are various levels of interest by administration. On the Cuban case, I notice that for the first time the government of Venezuela, for example, voted to extend the mandate of the U.N. Rapporteur. That is good news. On the down side, I notice that El Salvador, for reasons that I cannot understand, abstained.

I would like to see the Administration play a more energetic role. During the refugee crisis in the summer, the White House released a statement saying that the United States was going to take Cuba's case to the United Nations. Some of us thought that we were going to see Ambassador Albright go into the Security Council and raise this issue.

The State Department certainly should think in terms of putting together a white paper that would explain to other governments and to the world why it is that there is a U.S. trade embargo against Castro so that when the French president or somebody makes a statement about U.S. Cuba policy there would be something in black and white that would say, "Mr. President, this is the reason why we are doing this."

There are a lot of misunderstandings about the embargo. You heard Congressman Rangel here today. I have talked to the Cuban Affairs Office at the State Department. Maybe they ought to put out a brief brochure that would answer questions that are asked about the embargo. For example, is it possible to send medicine to Cuba? And whatever the other important questions are.

Beyond that, I think that the Congress has a very important role to play at various levels, not only with the American government, but at every possible opportunity with foreign congressional delegations. I just met a few days ago with a group of European parliamentarians. Those of you who care have been raising the issue with Mexican parliamentarians or Canadian parliamentarians or with others.

Ms. ROS-LEHTINEN. Thank you. Those are very good recommendations. Thank you, Mr. Calzon.

Colonel Montes.

Colonel MONTES. Beyond that, I would say that unless we have a firm policy, a unified policy, and it is understood by everybody in the arena that we are not going to move very well ahead. I think we have to convince our ambassadors in other places of the world to convince these countries of what are we doing really, and I think this law is going to make it very clear where the administration and the Congress are going to. But if we have a difference of policies, one of the Congress and one of the President, the message is not very clear.

I think once the message is clear that we are looking and seeking for the freedom of Cuba and get rid of Castro, all these nations that we have supported the securities systems, the economic aid, they have received the favors of the United States, it is time for them to come back and pay off what we have been doing for all these nations, even with blood that we have shed for their countries to be free today.

Ms. ROS-LEHTINEN. I agree. Thank you.

Mr. Reyes.

Mr. REYES MARTINEZ. Never more than now has the United States been in a better position to show that it is against the Castro dictatorship. It should have more of an echo now that these people have begun to realize that the romanticism they had with Castro is gone.

It becomes necessary to strengthen the embargo to avoid that the regime will have the funds needed to stay in power.

Ms. ROS-LEHTINEN. Muchas gracias. Thank you.

Colonel MONTES. I would like to make a recommendation, sir, with your permission, Mr. Chairman.

If this subcommittee could recall one day Lieutenant General U.S. Marine Corps retired Bob Milligan. He is the present state comptroller of Florida recently elected. He was the last commander of U.S. Forces, Caribbean and Deputy Commander of U.S. Task Force Four the anti-drug headquarters in Key West. I am sure he will help greatly, and has the knowledge of what is going on in the Caribbean and Cuba.

Ms. ROS-LEHTINEN. Thank you, Mr. Chairman.

Mr. BURTON. Yes, thank you, Ms. Ros-Lehtinen.

We will put him on the list of those who will testify later.

Let me end by saying that your statements will be used by me and other members of the committee when we debate this issue on the floor. We will mark up the bill. My staff and Mr. Torricelli's staff have been instructed to meet with the State Department today, tomorrow, and Monday to iron out any differences. If there are irreconcilable differences, then we will go ahead with the bill. The bill will be marked up Tuesday, and I believe it will be passed with flying colors. And I will talk to Mr. Gilman to try to get it scheduled for the full committee as quickly as possible and to the floor as soon as possible.

We are not going to rest until all of us who believe in freedom and democracy and human rights can go down and visit Havana in a free country. We can all get a good sun tan and have a drink and relax, and know that we do not have to worry about repression.

Thank you very much. It has been a good meeting.

[Whereupon, at 2:12 p.m., the subcommittee was adjourned to reconvene at the call of the chair.]





## APPENDIX

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Statement of Rep. Robert Menendez (D-NJ)

before the Subcommittee on the Western Hemisphere

Hearing on Cuban Liberty and Democratic Solidarity (LIBERTAD) Act

March 16, 1995

Mr. Chairman, allow me to commend you for backing your promise to make U.S. policy toward the Castro dictatorship the priority of this subcommittee.

Before I begin, I must briefly address the Mitterands, Mr. Chairman, in light of what they have said about Castro recently. I would like to take this opportunity to cordially invite both Mr. and Mrs. Mitterand to my congressional district so they can take advantage of the excellent continuing studies in one of our fine universities. Maybe then they could learn a little bit about the realities of Castro's Cuba: the torture, including the use to this day of electroshock therapy on dissidents, the political executions, and the widespread abuse and thorough denial of the most basic of the human rights of the Cuban people. Unfortunately, the old news that there is nothing romantic about the Cuban revolution has not made it to all parts of the old world.

With H.R. 927, the Congress recognizes a few things about Cuba under Castro. First, as long as Fidel Castro remains in power, Cuba will not change. Every day, Castro requires more repression and more human rights violations to remain in power. Yes, Mrs. Mitterand, Fidel Castro is a dictator. Every day, Fidel Castro -- and not U.S. policy, as some would have it -- makes the situation inside Cuba more unstable.

What amazes me perhaps more than anything else in this debate is how intelligent people could refuse to recognize a glaring, obvious fact: Fidel Castro could change Cuba this instant. He can call elections today. He could allow alternative political parties to form today. He could release Cuba's political prisoners today. He could recognize private property today. Whatever its impact may be, U.S. policy does not determine Castro's policies toward the Cuban people. Fidel Castro does.

It is certainly in the U.S. national interests to pursue stability in Cuba, but it is most definitely not in our national interests that Castro remain in power.

We recognize a simple fact, which by now should be evident even to Castro's most stalwart apologists: Fidel Castro is bent on closing the century of the historic affirmation of the right to self-determination with the bitter despotism of one-man rule. We also recognize that Cuba under Castro is inherently and increasingly unstable.

Thirty-six years after he seized power and five years after the fall of the Berlin Wall, Castro has moved only to further aggravate Cuba's acute economic crisis and to close shut any

political space. Thirty-six years is a long time. Yet, after all that time, Castro's Cuba remains in a Cold War deep freeze -- and a thaw is not nearing.

The brutal Castro brothers have chosen not to reform their tyrannical rule. Instead, they have chosen to consolidate and sustain their own power rather than provide sustenance to the Cuban people. They have chosen political repression and economic deprivation over basic human freedom and economic opportunity.

With this in mind, nearly two years ago, I suggested that we develop a proactive policy toward the Cuban people; that we prepare today for a change in Cuba tomorrow. We must combine our principled and firm opposition to Cuba's oppressors with a beacon of light for the Cuban people.

With strong bipartisan support, I introduced the "Free and Independent Cuba Assistance Act," which offers broad U.S. and international support first to a transition government and later to a democratic government in Cuba.

As soon as the President certifies that there is a transition government in Cuba, the U.S. would be ready to provide emergency relief and humanitarian assistance, military adjustment, electoral, private sector development and other types of assistance to help the Cuban people move from Communist dictatorship and a command economy to democracy and a market economy.

Once a democracy is in place, a much broader program of assistance would become available, including accession to the NAFTA, OPIC and Export-Import Bank assistance, Cuban membership in inter-American organizations and international financial institutions, among others.

I have re-introduced that bill as H.R. 611 with the cosponsorship of a majority of the Members of this Subcommittee and other distinguished senior Members of the full committee. Mr. Chairman, I am honored that you have incorporated this legislation as Title II of the Cuban Liberty and Democratic Solidarity Act (LIBERTAD) Act. I would urge my colleagues on the Senate side to consider incorporating Title II as it appears in H.R. 927.

In H.R. 611 and in Title II of H.R. 927, we must say clearly to the Cuban people: we are in solidarity with you, but not with those who oppress you and deny you your basic rights. Remove the impediment to our relations and we will assist you in making a reality of your dream of a free and independent Cuba.

We ask the international community and our own media to acknowledge this. We ask them to demonstrate the same commitment this year toward freedom in Cuba that they showed last year toward freedom in Haiti. We ask that they join us in making the commercial embargo on the Cuban dictatorship a coordinated effort among the world's democracies.

To the business community, our message is clear. The highest yields await you in a post-Castro Cuba. The greatest risks exist in Castro's Cuba.

We ask our colleagues in Congress and counterparts in Parliaments throughout the world to join us in hastening the day when Cuba becomes free, independent, and democratic. Join us in fostering a Cuban government that is a compliment -- and not an eyesore -- to the democratic community of nations of the Western Hemisphere. Join us in helping the Cuban people realize their dream of a free, independent, democratic Cuba.

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**THE HONORABLE MATTHEW G. MARTINEZ**  
**INTERNATIONAL RELATIONS SUBCOMMITTEE ON WESTERN HEMISPHERE**  
**HEARING ON THE U.S. ECONOMIC EMBARGO OF CUBA**

**MARCH 16, 1995**  
**OPENING STATEMENT**

MR. CHAIRMAN, THE FORCES OF DEMOCRACY HAVE SWEEPED ASIDE THE COMMUNIST REGIMES IN EASTERN EUROPE AND THE FORMER SOVIET UNION-- THE PATRONS OF CUBA'S TOTALITARIAN GOVERNMENT. FIDEL CASTRO, HOWEVER, STEADFASTLY REFUSES TO YIELD TO THE TIDE OF CHANGE, CLINGING TO A FAILED IDEOLOGY AND A DISCREDITED ECONOMIC SYSTEM WHICH HAS ONLY SERVED TO ENSLAVE THE PEOPLE OF THIS ISLAND NATION. IT IS INCUMBENT UPON THE UNITED STATES, AS THE LEADING DEMOCRACY IN THE WORLD, TO HELP THE CUBAN PEOPLE BREAK THE SHACKLES OF COMMUNISM, AND ESTABLISH A DEMOCRATIC FORM OF GOVERNMENT THAT WILL RESPECT THE PRINCIPLES OF FREEDOM AND DEMOCRACY.

CONGRESSIONAL INITIATIVES PRINCIPALLY DESIGNED TO STRENGTHEN THE ECONOMIC EMBARGO OF CUBA, ALTHOUGH CLEARLY WELL INTENTIONED, WILL NOT, IN MY OPINION, PRODUCE THE OUTCOME WE ALL WISH FOR THE CUBAN PEOPLE--AN END TO CASTRO'S REGIME AND CUBA'S TRANSITION TO A DEMOCRATIC SOCIETY. THE UNITED STATES EMBARGO OF CUBA IS IN

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STARK CONTRAST TO THE POLICIES FOLLOWED BY THE REST OF THE INTERNATIONAL COMMUNITY. AMERICA'S CLOSEST ALLIES TRADE WITH CUBA, REFUSING TO BOW TO U.S. PRESSURE TO ISOLATE THIS ISLAND NATION.

I MIGHT HAVE MORE FAITH IN THE EMBARGO'S EFFECTIVENESS IF IT WAS MULTILATERAL INSTEAD OF UNILATERAL, AND IF IT TRULY ISOLATED THE CUBAN GOVERNMENT INSTEAD OF DIVIDING THE AMERICAN PEOPLE FROM THE CUBAN PEOPLE. I THEREFORE WELCOME THE ADMINISTRATION'S REVIEW OF OUR CUBA POLICY. BUT I FEAR THE EMOTIONAL RESPONSE TO A REVIEW, DRIVEN BY OUR SHARED HATRED FOR CASTRO, WILL NOT ALLOW FOR THE BEST STRATEGY TO ELIMINATE THE LAST COMMUNIST HOLDOUT IN THE WESTERN HEMISPHERE. THE EMBARGO, I BELIEVE, HAS PARADOXICALLY DONE MORE TO WEAKEN THE CUBAN PEOPLE THAN TO EMASCULATE THE CUBAN GOVERNMENT.

IN ADDITION, U.S. FOREIGN POLICY IS RIDDLED WITH INCONSISTENCIES. ALTHOUGH WE VOCIFEROUSLY CONDEMN CASTRO AND IMPOSE AN ECONOMIC EMBARGO ON HIS COUNTRY, WE HAVE NOT BEEN SO CONSCIENTIOUS IN CRITICIZING OTHER DESPOTIC LEADERS. FOR EXAMPLE, ALTHOUGH THE U.S. HAS ALWAYS BEEN EAGER TO CONDEMN FIDEL CASTRO, WE SEEM TO FORGET THAT BATISTA, A MAN WASHINGTON, D.C. WARMLY EMBRACED UNTIL HIS OUSTER FROM POWER IN 1959, WAS A CORRUPT AND TYRANNICAL THUG. TRAGICALLY, WITH THE SUCCESS OF CASTRO'S REVOLUTIONARIES, THE



PAGE 3

CUBAN PEOPLE JUMPED FROM THE FRYING PAN INTO THE FIRE. THE SAME ARGUMENT CAN BE MADE WITH IRAN, NICARAGUA AND A HOST OF OTHER COUNTRIES.

FOR INSTANCE, UNTIL THE IRANIAN ISLAMIC REVOLUTION IN 1979, WASHINGTON POLICY MAKERS HAD NOTHING BUT THE HIGHEST ESTEEM FOR THE SHAH OF IRAN, A MAN WHOSE GOVERNMENT REPEATEDLY BRUTALIZED AND REPRESSED THE IRANIAN PEOPLE. FOR NEARLY 50 YEARS, THE U.S. HAD THE SAME COZY RELATIONSHIP WITH THE SOMOZA FAMILY, WHICH RUTHLESSLY RULED NICARAGUA AS THOUGH IT WERE THEIR PRIVATE FEUDAL ESTATE. THE HONORARY LIST OF ANTI-DEMOCRATIC LEADERS THE UNITED STATES HAS BACKED IS ALMOST ENDLESS AND INCLUDES THE LIKES OF GENERAL PINOCHET, GENERAL TRUJILLO, AND GENERAL NORIEGA.

IN CONCLUSION, MR. CHAIRMAN, I WOULD HOPE THAT WE WILL BEGIN TO FULLY ENGAGE THE HARD-PRESSED CUBAN PEOPLE. THE 36-YEAR-OLD POLICY OF ISOLATING FIDEL CASTRO HAS ACCOMPLISHED LITTLE BUT TO FURTHER IMPOVERISH THE LIVES OF CUBANS WITHOUT WEAKENING CASTRO'S DESPOTIC HOLD ON POWER. IT IS TIME FOR THE UNITED STATES TO JETTISON ITS OUTDATED POLICY OF ISOLATING CUBA, AND REPLACE IT WITH A MORE COMPREHENSIVE, PROACTIVE APPROACH OF ENGAGING THE CUBAN PEOPLE. IN MY HUMBLE OPINION, DIRECT, UNFETTERED CONTACT BETWEEN OUR TWO NATIONS CAN ONLY STRENGTHEN THE FORCES OF FREEDOM AND HASTEN THE DEMISE OF CASTRO'S REGIME.

STATEMENT BY HON. CHARLES B. RANGEL

HEARING OF THE WESTERN HEMISPHERE AFFAIRS  
SUBCOMMITTEE  
OF THE COMMITTEE ON INTERNATIONAL RELATIONS

THE CUBAN LIBERTY AND DEMOCRATIC SOLIDARITY ACT

MARCH 16, 1995

THANK YOU, CHAIRMAN BURTON, FOR INVITING ME TO TESTIFY AT THIS IMPORTANT HEARING ON THE ISSUE OF CUBA. THIS DISCUSSION IS PARTICULARLY IMPORTANT NOW, NOT ONLY BECAUSE OF THE LEGISLATION UNDER CONSIDERATION, BUT BECAUSE OF THE CONTINUED DETENTION--NOW GOING ON SEVEN MONTHS--OF NEARLY 30,000 CUBAN MEN AND WOMEN AT OUR MILITARY FACILITY AT GUANTANAMO BAY. OUR FAILURE TO RESOLVE THIS POLITICAL STALEMATE MAKES US AS GUILTY AS ANYONE ELSE FOR THEIR SUFFERING IN A PAINFUL STATE OF LIMBO.

WHILE I KNOW VERY LITTLE ABOUT THE SO-CALLED "CUBAN LIBERTY AND DEMOCRATIC SOLIDARITY ACT," I KNOW THAT IT WILL NOT HELP THESE POOR PEOPLE--OR THOSE IN CUBA--IF IT DOES NOT PROMOTE CONSTRUCTIVE ENGAGEMENT WITH CUBA. I HAVE LONG BELIEVED THAT AFTER A FAILED 35-YEAR-OLD EMBARGO, OUR GOVERNMENT MUST DO SOMETHING DIFFERENT IF IT TRULY WISHES TO HELP THE PEOPLE OF CUBA, RATHER THAN PUNISH THEM FOR LIVING UNDER A GOVERNMENT WE DON'T LIKE.

(MORE)

IF FIDEL CASTRO HAS PROVEN ANYTHING, IT IS THAT HE WILL NOT BE COWED BY PRESSURE FROM THE UNITED STATES. IN FACT, HE HAS BECOME EXPERT IN USING OUR POLITICAL AND ECONOMIC ATTACKS TO BOLSTER HIS POSITION. IT IS NO SECRET IN CUBA THAT PASSAGE OF THE CUBAN DEMOCRACY ACT, WHILE MEANT TO HURT CASTRO, ACTUALLY CONFIRMED IN THE MINDS OF MOST CUBAN PEOPLE THAT WE WERE THE MEAN-SPIRITED VILLAINS FROM THE NORTH THAT THE GOVERNMENT MADE US OUT TO BE. WHY NOT DO SOMETHING DIFFERENT--SOMETHING THAT WINS US FRIENDS IN CUBA WHILE PROMOTING DEMOCRACY.

INSTEAD OF TRYING TO PROVE HOW TOUGH WE CAN BE--AND HOW STUBBORN IN GOING AGAINST THE WILL OF MOST EVERY OTHER COUNTRY IN THE WORLD--WHY NOT USE THE BEST RESOURCES WE HAVE AT OUR DISPOSAL TO PROMOTE DEMOCRACY--AMERICAN PEOPLE, IDEAS, CULTURE AND GOODS. INSTEAD OF PREVENTING AMERICANS--INCLUDING CUBAN AMERICANS--FROM TRAVELING TO CUBA, WHY NOT FLOOD THE ISLAND WITH AS MANY VISITORS AS WOULD LIKE TO GO.

WITH THEM WOULD GO, OUR PRECIOUS, IRRESISTABLE, IDEAS ABOUT FREEDOM, DEMOCRACY, AND THE FREE MARKET. LET US SEND OUR SCHOLARS, OUR ARTISTS AND HUMANITARIANS, DOCTORS, SCIENTISTS AND RELIGIOUS LEADERS. FREE OUR COMPANIES TO INUNDATE THE ISLAND WITH AMERICAN FOOD, MEDICINES, MANUFACTURED GOODS AND THE AMERICAN WAY OF LIFE.

WE MUST STOP TRYING TO STARVE THE CUBAN PEOPLE--THE INNOCENT MEN, WOMEN AND CHILDREN--INTO SOME KIND OF SUBMISSION OR FORCE THEM TO A SUICIDAL REVOLT.

(MORE)

RANGEL/CUBA-3

HOW ELSE CAN WE EXPLAIN OUR CURRENT POLICY WHICH ONLY LAST YEAR HANDED TO THE CUBAN GOVERNMENT THE CONVENIENT PRETEXT TO PRECIPITATE A FLOOD OF 30,000 RAFTERS AND BOAT PEOPLE? ASKED WHY THEY LEFT, MANY SAID THEY WERE ESCAPING STIFLING REPRESSION, BUT MOST RESPONDED THAT THEY FLEEING A CRUSHING POVERTY, HOPELESSNESS AND LACK OF OPPORTUNITY.

ARE WE SO ARROGANT THAT WE WOULD CONTINUE TO REBUFF THE OPINION OF THE UNITED NATIONS, THE OAS, OUR FRIENDS AND ALLIES WHO, FRANKLY, ARE ANGERED AND OFFENDED THAT WE WOULD TRY TO FOIST OUR POLICY ON THEM. AND ESPECIALLY IN THE SMALL COUNTRIES OF THE CARIBBEAN, OUR WEAKEST AND MOST SOLID NEIGHBORS, THAT WE WOULD USE THREATS AND ECONOMIC PRESSURE TO FORCE THEM TO JOIN US IN ISOLATING CUBA. THAT BRUTISH POLICY, MR. CHAIRMAN, HAS NOT ONLY FAILED, IT IS UNCIVILIZED.

AND NOW WE WOULD TRY TO GO FURTHER IN EXTENDING THE EXTRATERRITORIAL ASPECTS OF THIS EMBARGO. THIS "CUBAN LIBERTY AND DEMOCRATIC SOLIDARITY ACT" WOULD DO JUST THAT, AND RATHER THAN ISOLATING CUBA, FURTHER ISOLATES US FROM THE POLICY OF OUR CLOSEST FRIENDS IN THE HEMISPHERE, EUROPE AND ASIA.

I HAVE HEARD FROM PEOPLE IN THE AMERICAN BUSINESS COMMUNITY WHO HAVE WARNED THAT THIS BILL HAS FAR GRAVER NEGATIVE IMPLICATIONS THAN WE WOULD WANT TO LIVE WITH. I KNOW YOU WILL HEAR LATER FROM MY FRIEND ASSISTANT SECRETARY OF STATE ALEXANDER WATSON. BUT I UNDERSTAND THERE ARE PROVISIONS IN THE BILL THAT ARE CAUSING SERIOUS CONCERNS IN VARIOUS AGENCIES OF OUR GOVERNMENT.

(MORE)



I AM SURE THAT IT IS NO SECRET TO YOU THAT OUR ALLIES ARE LESS THAN IMPRESSED WITH THIS BILL. SEVERAL OF OUR CLOSEST FRIENDS WHO IMPORT SUGAR FROM CUBA WOULD BE BARRED FROM SELLING SUGAR-BASED PRODUCTS TO THE U.S. BRAZIL, CANADA, JAPAN, MEXICO, SWEDEN AND SWITZERLAND WOULD LIKELY BE AFFECTED. BRAZIL AND CANADA LAST YEAR SUPPLIED 7.6% AND 3%, RESPECTIVELY OF TOTAL U.S. SUGAR IMPORTS. IF THE U.S. CURTAILED SUGAR IMPORTS FROM THESE COUNTRIES, WOULD THEY NOT BE PROVOKED TO RATALIATE?

THE BILL WOULD ALSO DENY ENTRY TO THE U.S. OF ANY FOREIGN NATIONAL WHO WAS INVOLVED AS AN OFFICER--OR EVEN A SHAREHOLDER--OF A COMPANY THAT INVESTED IN A CUBAN BUSINESS INVOLVING A NATIONALIZED U.S. PROPERTY. RATHER THAN THIS KIND OF VINDICTIVE--AND PROBABLY UNENFORCIBLE--SANCTION, WOULDN'T IT BE BETTER TO TAKE THE CUBANS UP ON THEIR OFFERS TO SETTLE THE REMAINING CLAIMS BY U.S. BUSINESSES, AS MANY OTHER COUNTRIES HAVE DONE?

ONE OF THE PROVISIONS THAT IS OF PARTICULAR CONCERN TO MANY PEOPLE, INCLUDING OUR GOVERNMENT, I HAVE BEEN TOLD, IS THAT CREATING RIGHTS OF ACTION IN OUR COURTS FOR PROPERTY OWNERS WHO WERE NOT U.S. NATIONALS WHEN THEIR FOREIGN PROPERTIES WERE CONFISCATED OR ABANDONED.

WHILE IT IS APPROPRIATE FOR THE U.S. TO SUPPORT THE INTERESTS OF ITS NATIONALS IN SECURING REMEDIES UNDER INTERNATIONAL LAW, IT IS EQUALLY INCUMBENT ON OUR GOVERNMENT TO CONFINE ITS ACTIONS IN THIS REGARD TO THOSE THAT ARE CONSISTENT WITH THE LIMITATIONS OF INTERNATIONAL LAW.

(MORE)

RANGEL/CUBA-5

MR. CHAIRMAN, THESE ARE ONLY TWO OF THE PROVISIONS IN A BILL THAT I KNOW TOO LITTLE ABOUT, BUT FRANKLY HAVE HEARD ENOUGH TO KNOW THAT IT WOULD TAKE US IN THE WRONG DIRECTION.

IN AN ENVIRONMENT IN WHICH OUR NATION HAS MADE TRADE ITS HALLMARK, HAS PASSED NAFTA AND SIGNED THE GATT AGREEMENT, ALL IN THE INTEREST OF CREATING JOBS, IT IS TOTALLY INCONSISTENT TO CONTINUE IN THIS DIRECTION WITH CUBA. I SIMPLY DO NOT UNDERSTAND HOW WE ARE ABLE TO PROMOTE TRADE WITH THE COUNTRIES OF THE FORMER SOVIET UNION, WITH CHINA, AND NOW VIETNAM--HOW IS IT THAT WE MAKE CUBA THE EXCEPTION.

BECAUSE OF ITS PROXIMITY TO OUR OWN BORDERS, ITS DEEP HISTORIC TIES TO THE U.S. AND THE NATURAL AFFINITY OF OUR PEOPLES, CUBA IS MORE LIKELY THAN ANY OF THE OTHERS TO BE TRANSFORMED BY A POLICY OF PEACEFUL, POSITIVE ENGAGEMENT.

IN 35 YEARS WE HAVE GAINED NOTHING BY ATTEMPTING TO ISOLATE CUBA, WHICH NO ONE WOULD ARGUE IS ANY LONGER A THREAT TO US OR ANY OF ITS NEIGHBORS. BY PERSISTING IN THIS POLICY, WE ARE HURTING THE CUBAN PEOPLE, INFRINGING ON THE RIGHTS OF AMERICANS, AND WASTING \$20 MILLION A MONTH TO DETAIN INNOCENT MEN AND WOMEN ON GUANTANAMO BAY.

THANK YOU, MR. CHAIRMAN

CBR/em

UNITED STATES POLICY TOWARD CUBA  
 ALEXANDER F. WATSON  
 ASSISTANT SECRETARY OF STATE  
 FOR INTER-AMERICAN AFFAIRS  
 BEFORE THE  
 WESTERN HEMISPHERE SUBCOMMITTEE  
 COMMITTEE ON INTERNATIONAL RELATIONS  
 HOUSE OF REPRESENTATIVES  
 MARCH 16, 1995

INTRODUCTION

Thank you, Mr. Chairman. It is a privilege to testify before this committee on Cuba. We are pleased that you have made U.S. policy toward that troubled island nation one of this committee's highest priorities.

Just last December, President Clinton invited the leaders of 34 out of 35 countries in this Hemisphere to Miami to participate in the Summit of the Americas. As Secretary Christopher said to the Senate Foreign Relations Committee on February 15, "The Summit of the Americas demonstrated that this hemisphere has committed itself to democratic institutions, respect for human rights, and free markets. Only one country out of 35 was not invited to the Summit, the one country that rejects the shared goals of those who came to Miami in December. That nation is Cuba."

For 36 years now the Cuban people have been repressed by a totalitarian regime that maintains control over all aspects of their daily life -- at home, work, and school. This control, exercised through an elaborate, multi-layered network of neighborhood committees, government bureaus, Communist Party directorates, state security agencies and the military, is ultimately wielded by one man, Fidel Castro: Chief of State, Head of Government, First Secretary of the Communist Party and Commander-in-Chief of the Armed Forces. In the face of all the dramatic changes in the world that have in recent years swept away similar systems, the dictatorship in Cuba has shown no willingness to recognize even the most basic freedoms of the Cuban people, or to submit itself to the true test of popular will, the ballot box. More than three and a half decades have passed since Castro seized power and promised to hold an election within 18 months. The Cuban people cannot speak their minds openly. They cannot meet freely or organize freely. They have no recourse against governmental abuse.

Mr. Chairman, the United States looks forward to the day when the Cuban people can enjoy the freedoms that most of the other countries in the Hemisphere now recognize as fundamental human rights. We were pleased to see that again this year the UN

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Human Rights Commission voted by a wide margin to condemn the human rights situation in Cuba, this time with new support from a number of our Latin neighbors. Human rights and democracy are the core of our policy towards Cuba. As President Clinton has said,

"I do not believe the United States can have normal relations with any country that has abandoned democracy, including Cuba. With Cuba, our goal is a peaceful transition to democracy. We believe the people of Cuba deserve to be free to determine their future, by expressing their will in free elections."

#### ECONOMIC CHANGE IN CUBA

Since 1993, the regime has taken some tentative steps toward economic reform, such as establishing agricultural and industrial craft markets, legalizing the dollar and permitting limited self-employment. These economic changes, which are inadequate but still steps in the right direction, are being introduced grudgingly because the regime has no other choice. Moreover, the economic measures implemented thus far have been carefully limited to preserve the regime's control over the population. Some reforms, however, such as agricultural markets and small-scale self-employment, have given the Cuban people a small taste of market incentives and constitute positive steps.

Much broader and deeper measures will be required if the Cuban economy is to move definitively toward a genuine free market system. For example, farmers must still meet state quotas before they may sell "excess" produce at the new agricultural markets. Self-employment is still tightly controlled and is not available to professionals. Investment opportunities offered to foreigners are off-limits to Cubans because Castro fears the rise of an independent business community. The state supplies labor to foreign firms in return for hard currency, while only a fraction of these payments goes to the Cuban worker. Cubans will next be forced to watch foreigners buy up luxury condominiums while they are barred from owning even the dilapidated housing in which they live.

#### THE CUBAN DEMOCRACY ACT

Mr. Chairman, we support the goal of the Cuban Democracy Act (CDA) which is the promotion of a peaceful transition to democracy on the island. The CDA guides our policy, which is to maintain firm pressure on the Cuban Government for peaceful change by denying legitimacy and resources to the Castro regime through tough economic sanctions (what we call Track One), while reaching around the regime to the Cuban people through humanitarian donations and enhanced communications (Track Two).



To augment the 33-year U.S. comprehensive economic embargo on Cuba, the CDA added further restrictions on shipping and on trade by U.S. subsidiaries abroad with Cuba. During Castro's migration challenge to the U.S. last summer, the President imposed additional restrictions on remittances and transactions related to travel to Cuba.

We strongly believe that the embargo is the best leverage we have to promote change in Cuba, and that it is working. Those who claim that it is ineffective fail to understand that only since 1989, when the Soviet Union's \$6 billion annual subsidy to the Cuban economy ended, has the embargo's real impact been felt.

At the same time that the Castro regime has had to contend with the loss of these subsidies, it has been denied the windfall that U.S. trade, investment and tourism would provide. While the inherent inefficiencies of Cuba's socialist economy alone would be enough to bring about the system's eventual economic collapse, a large influx of hard currency from the U.S. could allow the regime to resist change and stay afloat for years longer. Because of the embargo, Castro faces stark choices now. The changes he has authorized, while they have been carefully limited to preserve the regime's political control, are steps in the right direction, and would almost certainly not have been undertaken without the added pressure the embargo applies. The embargo must remain in place until we see the kind of meaningful, far-reaching reform contemplated in the CDA.

Mr. Chairman, while we have kept the pressure on the regime, we have been reaching out to the Cuban people through a variety of Track Two initiatives outlined in the CDA. These efforts are designed to break the Cuban regime's monopoly on communication with the Cuban people, and let ordinary Cubans know that we stand with them in their struggle. Since 1992, we have licensed almost \$65 million in private humanitarian donations through non-governmental organizations, making the American people the most generous source of such assistance to the Cuban people during this period. (We have been pleased to note that the European Union has also adopted a strategy of channeling its humanitarian assistance through NGOs.) Another example of our Track Two initiatives has been the conclusion of private U.S. telecommunications agreements -- after successfully resisting attempts by the Cuban government to levy an exorbitant surcharge on operator-assisted calls -- that have greatly improved telecommunications, including phone, fax and e-mail, between Cubans and Americans.

Other key elements of Track Two include increased book donations to Cuban institutions, travel to Cuba for clearly defined humanitarian, human rights, research and journalistic purposes, and of course the essential broadcasts of Radio and TV Marti. The Administration strongly believes that Track Two contacts undermine Castro's disinformation about U.S. intentions toward Cuba, one of the linchpins of his regime. These efforts to reach out to ordinary Cubans are an essential complement to Track One pressures and will help hasten the island's democratic transition.

#### THE CUBAN LIBERTY AND DEMOCRATIC SOLIDARITY BILL

Mr. Chairman, the Administration welcomes Congress' interest in furthering our common objective of promoting a rapid, peaceful transition to democracy in Cuba.

An interagency team is conducting an extensive review of the Cuban Liberty and Democratic Solidarity Bill, and will produce recommendations for consideration by senior administration officials. We have almost finished examining the provisions of this complex bill, and look forward to meeting with you or your staff when we have completed our review.

We support many of the objectives of the bill, and stand ready to work with the Congress to make enforcement of the embargo more effective, to accelerate planning for assistance to the Cuban people under a transition or democratic government and to protect the property interests of Americans abroad.

However, we believe that, as currently drafted, some of the bill's provisions might have consequences which could impede our ability to further our shared goals of promoting a rapid, peaceful transition to democracy. We must also ensure that the bill's provisions do not have major adverse effects on broader U.S. interests. In addition, several of the bill's provisions could require significant increases in resources for implementation.

We support the bill's efforts to ensure Russia's trade with Cuba is conducted strictly on market terms.

We also share the bill's goal of increasing the effectiveness of TV Marti. USIA Director Joe Duffey has already authorized efforts to initiate UHF broadcasting. The difficulty TV Marti has in reaching its target audience is not due to any shortcoming on its part, but rather to the Cuban regime's determination to isolate its people from the outside world through an expensive program of electronic jamming. Moreover, both Radio and TV Marti can play a key role in transmitting timely, credible and calming information during crises in Cuba.

While we share the objective of promoting third country support of our Cuba policy, we are concerned that some provisions of the bill may compromise some of our broader national security objectives. Provisions of the bill which would require the President to withhold an amount equal to the assistance and credits Russia provides to Cuba in return for the use of the Lourdes signal intelligence facility could limit our ability to promote reform and stability in Russia. In addition, pressing Russia to cease its use of Lourdes could be seen by the Russians as interfering with their exercise of their right under the START treaty to monitor compliance with the agreement, and could complicate Russian ratification of START II -- a treaty which our own Congress is now moving to ratify because of its strategic importance.

We are seriously concerned about whether provisions barring the entry of sugar from third countries which import Cuban sugar would be consistent with U.S. obligations under the World Trade Organization and the North American Free Trade Agreement. Such provisions might also seen as a secondary boycott similar to the Arab boycott of Israel, which the United States has long and vigorously opposed.

Mr. Chairman, we agree whole-heartedly with the aim of the bill's section on assistance to a transition or a democratic Cuban government. We believe in the wisdom both of planning now for the day when democratic change comes at last to Cuba, and of making clear to the Cuban people the kind of supportive role the United States is prepared to play after a transition to democracy has begun. I note that Rep. Menendez has pursued this goal for some time, including through a constructive piece of legislation introduced during the last session. We welcome the bill's approach of authorizing assistance for a broad range of activities to promote rapid progress from a transition government to a fully democratic one. These provisions remove many of the concerns that we had with the legislation last year. However, we believe the bill must provide the President with sufficient flexibility to determine when a transition or democratic government is in place in what could be rapidly changing circumstances, and precisely what mix of assistance and other benefits the U.S. should provide. We are also concerned that a number of other provisions in the bill, as currently drafted, appear to infringe on the President's constitutional responsibilities for the conduct of foreign relations.

We share the bill's commitment to protect the interests of U.S. citizens and entities whose property abroad was expropriated without compensation, including in Cuba, and have made clear to third country governments and businesses the risks of purchasing these properties. Resolution of these claims will be a high priority once Cuba's inevitable transition to democracy begins. Last month we re-transmitted our "buyer

beware" cable to all diplomatic posts to press these points. We are concerned, however, about provisions of the bill that would impose a series of sweeping and mandatory sanctions and restrictions in connection with transactions involving properties not only in Cuba, but around the world, where the claim to that property is now owned by an American citizen. These sanctions would have serious resource implications for enforcing agencies. Such sanctions would need, under our international trade obligations, to apply to U.S. and foreign companies without discrimination. Some of these provisions would cause disputes with our allies and could be difficult to defend under international law. We believe that we might together be able to develop mechanisms that will achieve our shared goals in a manner more consistent with international law.

Several other provisions of the bill could also require significant new resources for implementation, which could be problematic in this period of budget stringency. In addition, other provisions raise issues that we would like to address with the Committees. The provision to encourage the creation of an OAS special emergency fund for Cuba, for example, has technical problems that require correction.

Mr. Chairman, we believe that most of the concerns we have identified can be resolved through consultation. I am certain that members of the committee, like us, will be interested in balancing our desire to do as much as possible to promote peaceful, democratic change in Cuba with our international commitments and other critical national interests abroad. We would be happy to meet with sponsors of the proposed legislation at their convenience to discuss the Cuban Liberty and Democratic Solidarity Act. We expect to continue the bipartisan cooperation on Cuba policy that the Cuban Democracy Act has embodied, and that we have pursued with the Congress over the past two years.



# U.S. ECONOMIC SANCTIONS ON CUBA

## Prepared Statement of

R. Richard Newcomb  
Director, Office of Foreign Assets Control  
United States Department of the Treasury

before the

Subcommittee on the Western Hemisphere

Committee on International Relations  
United States House of Representatives  
Washington, D.C.

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## Introduction

Chairman Burton, Congressman Torricelli, distinguished members of the Subcommittee, Good Morning. The Treasury Department's Office of Foreign Assets Control is the office responsible for the enforcement of the economic embargoes and sanctions programs currently in place with respect to various target countries, including Cuba. In my remarks this morning, I will be discussing the recent changes to our sanctions program against Cuba, particularly the new initiatives with respect to dollar remittances, travel, and gift parcels which were implemented at the direction of the President in August 1994.

## I. FAC Generally

In performing its mission, FAC relies principally on the President's broad powers under the Trading With the Enemy Act ("TWEA") and the International Emergency Economic Powers Act ("IEEPA") to prohibit or regulate commercial or financial transactions involving specific foreign countries. The implementation of economic embargoes and sanctions by the President is an important element of U.S. foreign policy.

FAC has enforcement, regulatory and operational responsibilities. These include rulemaking, licensing, criminal enforcement, civil penalties, compliance, the blocking of foreign assets in the United States, and the authority to require recordkeeping and reporting.

In implementing and enforcing economic sanctions and embargo programs, FAC maintains a close working relationship with numerous other federal departments and agencies to ensure that the FAC mandate is properly implemented and effectively enforced. Among these agencies are the State Department (for foreign policy guidance in promulgating regulations and on sensitive cases), the Commerce Department (on issues regarding exports), the National Security Council staff (on significant policy questions and regulatory changes), the Customs Service (for assistance in the many enforcement matters involving exports, imports, transportation, and travel), and the bank regulatory agencies (to assure bank compliance with financial restrictions).

## II. The Provisions of the Cuban Democracy Act

The Cuban embargo, as it existed before the Cuban Democracy Act ("CDA"), enacted in October 1992, prohibited all commercial, financial, and trade transactions by all persons subject to U.S. jurisdiction, which includes U.S. citizens and permanent residents, wherever they are located, all people and organizations physically located in the U.S., and all branches and subsidiaries of U.S. organizations throughout the world.

The Cuban Assets Control Regulations ("the Regulations"), which were promulgated to interpret and implement the Cuban sanctions program, contained certain limited licenses or exemptions for specified types of transactions in the following areas: limited family remittances, certain travel transactions, trade in informational materials, and trade by U.S. foreign subsidiaries. It is within this context that the CDA was enacted.

The CDA made significant changes to the Regulations with respect to the export to Cuba of food and medicine and medical supplies, with respect to telecommunications, and with respect to trade with Cuba by offshore subsidiaries of U.S. companies. Since the passage of the CDA, the U.S. Government has licensed over \$65 million worth of humanitarian donations to Cuban non-governmental organizations from a wide variety of religious, social, and professional groups and individuals. We stand ready to work with all organizations interested in helping the Cuban people in their time of need.

As you are aware, informational materials, including school texts, Bibles, books, records, tapes, etc., are not subject to the prohibitions contained in the Regulations, and therefore require no authorization to export. Furthermore, the CDA at §1705 (b) deregulates the exportation of donated food to Cuban individuals and non-governmental organizations. For this reason, qualifying donations of food may be exported without applying for a license.

#### **a. Medicines and Medical supplies**

Section 1705 (d) (2) of the CDA concerns exports of medicine and medical equipment and provides that specific licenses must be issued by the U.S. Government for such exports. Authorization for exportation requires that certain conditions be satisfied. Section 1705 (c) of the CDA provides that such exports shall not be restricted except to the extent that:

- the intended export is restricted by §5 (m) of the Export Administration Act of 1979 or §203 (b) (2) of IEEPA;
- there is a reasonable likelihood that the intended export will be used for torture or human rights abuses;
- there is a reasonable likelihood that the intended export could be re-exported; and
- there is a reasonable likelihood that the intended export will be used in the production of any biotechnological product.

In addition to avoiding the four restrictions listed above, commercial shipments of medicine and medical supplies to Cuba, as well as donations to individuals and non-governmental entities, must also satisfy requirements for U.S. Government verification that the exported goods will only be used for the purpose for which they were exported and that they will be used for the benefit of the Cuban people.

In the spirit of the CDA provisions for support of the Cuban people, we have adopted a policy of licensing transactions incident to travel by persons requesting to accompany and deliver licensed donated goods to the intended recipients. We have issued licenses to over 150 persons travelling to Cuba for this purpose.

#### **b. Telecommunications**

An area of great interest has been telecommunications between the U.S. and Cuba. Prior to the enactment of the CDA, telecommunications service, including phone service, telexes, and telegraph service, was authorized on a highly regulated and restricted basis by licenses issued by FAC. These licenses insured that the vast majority of payments owed to Cuba would be placed in blocked accounts in the United States. Service and transfers of new telecommunications technology have also been limited consistent with the purposes of the embargo.

The CDA provision dealing with telecommunications directs the Government to address telecommunications issues outside the prior system of laws and regulations that make up the Cuban embargo. The CDA permits telecommunications services between Cuba and the United States, notwithstanding other restrictions on transactions with Cuba.

The CDA specifically provides that payments to Cuba will be made pursuant to a license. Payments may be licensed for full or partial current settlement with Cuba. Under section 1710 of the CDA, the Secretary of the Treasury must ensure that activities to support the Cuban people, newly permitted under the CDA, are carried out only for the purposes set forth in the Act, and not for the purpose of the accumulation by the Cuban Government of excessive amounts of U.S. currency or the accumulation of excessive profits by any person or entity.

As a first step in implementing the CDA telecommunications policy, we issued licenses to telecommunications companies authorizing transactions incident to their travel to Cuba for the purpose of negotiating an agreement to provide telecommunications services between the United States and Cuba. Six of these companies negotiated service agreements that were approved by the Federal Communications Commission, in consultation with the State Department, which had provided policy guidance for the scope of the new services to be allowed, including technical requirements. Treasury issued licenses in November 1994 authorizing the execution of the agreements and the transactions necessary to effect the payment of current settlement. A level of telecommunications now exists between the U.S. and Cuba that permits telephone calls with good voice quality, as well as other services, such as telefacsimile, that require the use of modern facilities.

#### **e. Offshore Subsidiary Trade**

Section 1706(a) of the CDA effectively discontinued the pre-CDA policy of licensing offshore transactions with Cuba by foreign subsidiaries of U.S. firms. The CDA provided that the new prohibition was not to affect contracts entered into before the date of enactment of the CDA. Most such situations were brought to our attention within weeks of the enactment of the CDA, and licenses to allow the completion of pre-CDA contracts were issued, where appropriate.

Prior to the CDA, the level of licensed trade by the offshore subsidiaries of U.S. firms had risen to a high of \$718 million in 1991. Except for transactions occurring under the few pre-CDA contracts which continued to be in effect, the level of such trade in 1994 had fallen to zero.



### **III. The Initiatives of August 1994**

In August 1994, the President called for the imposition of additional economic sanctions against the Castro regime. These new measures were designed to reduce the flow of U.S. dollars to the Cuban government by sharply reducing permitted remittances to Cuba, limiting the content of gift parcels sent to family members in Cuba, and prohibiting travel-related transactions related to family visits except under circumstances of extreme hardship. Persons seeking to travel to Cuba for purposes of conducting professional research may now do so only pursuant to specific licenses issued by FAC.

#### **A. Remittances**

The amended regulations now prohibit family remittances to Cuba except for a one-time payment of \$1,000 to enable a close relative to emigrate from Cuba; other remittances to address emergencies or situations of demonstrated extreme need may be specifically licensed on a case-by-case basis. Remittances to permit travel to the United States by Cuban family members for visits, a cornerstone of the earlier Cuban-American family reunification initiative, are now prohibited except upon a demonstration of extreme humanitarian need. This change, and prohibiting U.S. family members from using the licensed Miami-Havana charter flights to visit relatives in Cuba, have been the most controversial of the new prohibitions.

#### **B. Air Charter Travel**

Licensed Miami-Havana charter carriers are now permitted to carry only specifically-licensed travellers, except for visased immigrants, journalists, and government travellers on official business, who continue to be generally licensed. Specific licenses may now be issued for (1) certain family visits in extreme emergencies, (2) travel for clearly-defined educational or religious activities, (3) travel by professional researchers, (4) travel for activities of recognized human rights organizations investigating human rights violations, and (5) travel in connection with telecommunications activities or trade in informational materials.

The sharp reduction in the number of licensed travellers for the direct U.S.-to-Cuba flights has led to a reduction in their frequency. However, prohibiting travel to Cuba on these flights by unlicensed U.S. family members has likely resulted in many such persons unlawfully attempting to travel to Cuba via third countries, such as Mexico. We are developing enforcement strategies to address this mode of circumvention.

The specific licensing of family visits has vastly increased FAC's workload. As a result, processing times are much longer than we would like. This has led to a difficult situation and we understand the pain and frustration of Cuban-Americans who wish to visit a sick or dying relative on an urgent basis. Since August 18, 1994, FAC has processed more than 3,600 requests for family visits.

#### c. Gift Parcels

Pursuant to the current Regulations, family gift parcels are now limited to food, medicine, medical and hospital supplies, clothing, and certain humanitarian items having a total value of not more than \$200 per month, from one donor to one donee. The additional controls now placed on the content of such parcels is intended to align such shipments with the humanitarian intent of the exemption by eliminating non-humanitarian, commercial articles intended for introduction into the Cuban economy through resale.

#### IV. The Helms/Burton Bill

There are aspects of the bill that the Administration generally can support. These include tough international pressures against the Castro government; encouraging the holding of free and fair democratic elections in Cuba; providing a policy framework for United States support to the Cuban people under a transition or democratic government; and protecting the rights of U.S. persons who own claims to confiscated property abroad.

However, it is the Administration's view that, as currently drafted, many of the provisions of the bill could hamper the United States' ability to promote a transition to democracy in Cuba. A number of the bill's provisions could also jeopardize broader national interests. The Administration is confident that the Administration and the Congress will be able to address these difficulties and be in a position to further our common goal of promoting real democratic change in Cuba.

I appreciate your invitation to appear here today and would be pleased to attempt to answer any questions you might have.

## TESTIMONY OF PABLO REYES MARTINEZ

I am Pablo Reyes Martinez, a philosophy professor and former political prisoner who was condemned to 8 years imprisonment for practicing free and independent journalism, contrary to the official party line which is the only one that prevails on the Island. This journalistic effort of mine was a response to the inexistence of a free press in Cuba and the reason why I resorted to outside radio stations such as Radio Marti, The Voice of the Cuban American National Foundation, and others which serve to divulge the truth about Cuba.

I have arrived in exile after enormous efforts on the part of political and international human rights organizations, which are a reflection of the need to continue denouncing the situation of Cuba's political prisoners.

During my journalistic activity, I had the opportunity to interview a wide cross section of the people of my country, comprised of workers, housewives, farmers, professionals and intellectuals, with regard to the economic embargo of the United States against the Cuban Government. Through numerous interviews recorded on tape—which reveal the full identities of those interviewed—I was able to confirm that the people of Cuba understand and approve of, as the most efficient means with which to put an end to Fidel Castro's dictatorship, the economic embargo applied by the United States against the totalitarian regime of Fidel Castro. During said interviews, it was evident that what was expressed by the workers, farmers and other sectors truly reflected the fact that the acute shortages that the Cuban people suffer were not a result of the U.S. embargo but a result of the failed economic policy of Castro's dictatorship. My interviews, which would eventually land me in prison served to express the desire of the Cuban people to live in freedom. It was worth it and I would do it again 1,000 times over if it would help achieve Jose Marti's dream of a better Cuba for all.

For all I have mentioned and from this tribune Mr. Chairman, I am expressing without a doubt the opinion of the immense majority of the Cuban people. I wish to reaffirm once more that the proper, pacific and calculated way to put an end to Castro's totalitarian regime in the island is to continue firmly with what this historic moment requires, the policy of the economic embargo and with it the unrestricted support to all measures which contribute to the strengthening of the embargo such as the Cuban Democracy Act, known as the Torricelli bill and the Helms-Burton amendment.

If the world understood that there was a need to end apartheid in South Africa through international solidarity, as well as to find an immediate solution to Haiti's problems through an international embargo, the issue of Cuba should also be considered in order to put an end to the terrible situation the Cuban people face which amounts to 36 years of a long dictatorship.

Members of such distinguished panel, do not let yourselves be deceived. The Cubans in the island are not anti-American, neither do they want a socialist future. We believe in the same principles which made this nation great: democracy, free enterprise and freedom of expression. That is why I went to prison, convinced as I was and as I am of the noble wishes of my people.

If severe economic sanctions continue to be imposed, without economic resources Cuba's Government will be forced to take the necessary steps to bring about the democracy and freedom which the Cuban people claim and other democratic countries in the world demand.

Mr. Chairman, thank you for the opportunity you have given me.

## Testimony of

FRANK CALZON  
Washington Representative,  
FREEDOM HOUSE

Before the  
Subcommittee on Western Hemisphere Affairs  
Committee on International Relations  
U.S. House of Representatives  
Thursday, March 16, 1995

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I am pleased to appear before you on a subject that is of great concern to Freedom House and to me personally: the deteriorating situation in Cuba and U.S. policy toward the island. I would like to express my gratitude, and that of the Cuban people, to Chairman Dan Burton for his efforts to facilitate a peaceful transition to democracy and respect for human rights in Cuba, especially for his sponsorship of H.R. 927.

I appear before the Subcommittee on behalf of Freedom House, an independent, bipartisan organization founded in 1941 to oppose the Nazi onslaught in Europe. Since then, Freedom House has promoted democracy and human rights around the world, opposing dictatorships of both the right and the left in Chile, South Africa, Poland, the former Soviet Union, Nicaragua and elsewhere.

U.S. Ambassador to the United Nations, Madeleine Albright articulated recently the reasons for international sanctions against Iraq's dictator, Saddam Hussein. We have also seen how sanctions against South Africa prodded that



regime toward democracy. In our own hemisphere the world community supported the democratic aspirations of the Haitian people.

But what about Cuba?

Despite statements by Castro's well-wishers to the contrary, the downward spiral of the Cuban economy has not been reversed; in fact, the regime will face another disastrous sugar crop this year. The regime has few options left beyond opening the country to foreign speculators, augmenting the role of the military in the economy, and increasing repression. So far, the regime has managed to maximize the impact of tourism to benefit the "New Class" (the Communist Party, the nomenclature and the security forces). Now it is almost impossible for a Cuban without some links to the regime to obtain a job in a hotel or a foreign enterprise, and Castro has gone from exporting his revolution to "exporting the opposition."

The regime has renewed its efforts to pressure human rights leaders to leave Cuba. Castro has even offered to release several human rights leaders currently in prison on the condition that they go directly to the airport and into exile. Some continue to refuse, and remain in prison.

Cuba's Catholic bishops, human rights leaders on the island, and most of the opposition in exile have repeatedly called for the release of all political prisoners and a political opening; but Fidel Castro's response has been "the rapid deployment brigades," government sponsored mobs who roam the streets beating up dissidents. The Cubans, paraphrasing a government slogan, say that Fidel

Castro is "the intellectual author" of tortures, murders, and other unspeakable deeds inflicted on the opposition.

I would like to bring to your attention four issues that are central to the formulation of a comprehensive US policy towards Cuba.

### I. The Embargo

In recent weeks we have seen opinion columns and editorials urging the end of the U.S. trade embargo. For those willing to give Castro the benefit of the doubt, the embargo is the cause of food rationing and great suffering in Cuba, while others argue that the sanctions denied American business the opportunity to make great profits.

Despite 36 years of censorship and indoctrination in a country where every magazine, newspaper, radio and television station, and every pronouncement of local, provincial, and national officials parrot the dictums of the "Maximum Leader," the Cubans know better. They know that the cause of shortages of bananas, tomatoes, fish, and sugar on a tropical island, is neither U.S. policy nor the Cubans, but Fidel Castro's insistence in maintaining the same bankrupt Marxist-Leninist economic system that has failed everywhere else it has been tried.

As far as "great profits to be made in Cuba," the average Cuban earns the equivalent of \$3 or 4 dollars per month, which means that whatever purchasing power exists, lies in the hands of tourists. Tourists, who have access to special hotels, stores and beaches which are off limits to most Cubans, are greatly

resented by the people. As was the case in South Africa, there are courageous individuals in Cuba, who, in spite of great personal danger, continue to call not for lifting of the sanctions, but for the world community to join the United States in tightening the embargo to force the dictator to leave.

At the end of my presentation I would like to play for you a statement by a prominent human rights leader videotaped in Havana.

## II. The Administration's Immigration Policy

We are grateful to President Clinton for permitting a number of children, elderly and ill refugees who had been held at the U.S. Base at Guantanamo, to enter the United States. The Administration's policy to detain Cuban refugees -- men, women, and children, behind barbed wire in American custody, however, is a serious foreign policy mistake because it strengthens Castro's hand, inflicts unnecessary suffering on the Cuban people, delays the inevitable transition to a democratic Cuba, and in so doing undermines American interests in the region.

Suffice it to say that Fidel Castro's strategy to remain in power consists of three elements: the lifting of the embargo; an increase in repression and terror against Cuban dissidents; and, like all Communist regimes, the denial of the right of free travel for his people. Castro learned a lesson that appears to have escaped some policy analysts: A large uncontrolled flow of refugees, particularly in the aftermath of the collapse of Soviet Communism, is a major threat to the stability and indeed the very survival of his regime. It is no accident, (as the Marxists

used to say) that the East German communist regime collapsed when confronted by widespread public rejection as evidenced by thousands of men and women willing to escape to freedom with little more than the clothes on their backs.

Had various European countries that sided with the German refugees closed their borders, and had the West signed an agreement with Honecker to keep his people behind the Berlin Wall, the map of Europe would no doubt look different today.

### III. The Administration's Pro-Democracy Programs

To date, American efforts to promote democratic institutions in many regions of the world have been directed towards societies which are already democratic and pluralistic, or countries in transition. Incredible as it seems, with the exception of very modest programs by the National Endowment for Democracy, American solidarity and support is sorely lacking where it is needed the most. Current victims and dissident leaders under Communist rule --the Chinese Walesas, the Vietnamese Solzhenitsyns, and the Cuban Havelas -- cry for help, but are told they will have to wait until the dictators are no longer in power and American concerns are no longer perceived as provocations by the regime before they can receive America's aid. Instead, the United States' efforts to promote democracy have focused on places where the transition to democracy has already begun such as in Central America, Central Europe, Haiti, Russia, and



several former Soviet Republics. This should not preclude assistance to democratic forces inside the remaining totalitarian regimes.

I urge Congress to work with those within the Administration who would like to redirect America's pro-democracy policies toward the worst tyrannies of our time.

#### IV. TV and Radio Marti

If there is one US initiative that, by itself, could be credited with keeping the hope of freedom alive for millions of people during the long communist night in Europe, it is Radio Free Europe and Radio Liberty. Ten years ago, President Ronald Reagan set up a "surrogate" station, a station that would function "as if in a democratic and pluralistic Cuba." Radio and TV Marti enjoy today the support of President Clinton, Republicans and Democrats. But while we have been debating among ourselves, Castro has not been idle. Recent visitors to the island report that the regime has purchased expensive jamming equipment from Japan that has been set up on the hills around Havana. As a result, Radio Marti broadcasts are heavily jammed between Mariel and Guanabo, an area which includes metropolitan Havana. In addition, the government has encoded the satellite TV transmissions received at the Habana Libre hotel, effectively blocking out the many home made satellite antennas which had sprouted around the city. Previously, the satellite antennas had been known as the "national flower," because they could be seen growing everywhere.

The closing of a VOA transmitter in Bethany, Ohio has also had negative effects on Radio Marti, and TV Marti's signal has never been able to reach the Cuban people. Ironically, while there is great difficulty in getting both TV and Radio Marti into Cuba, there has been some speculation in recent days about moving the stations to Miami. I believe such a move plays into Castro's hands, and is a threat to the integrity of the stations.

The stations are very much needed. They could play a fundamental role in a peaceful transition to a democratic Cuba. That is why Castro is so afraid of them, and why he, in spite of Cuba's economic crisis, always has the resources required to block the broadcasts.

Last year, the White House considered placing a specially equipped C-130 aircraft in the Florida Straits to permit TV Marti to break through Castro's jamming. All that is needed is for the United States to broadcast as little as two hours of TV-Marti each week. Congress should ask the President to order the Pentagon to make the aircraft available. Additionally, Congress should ask the President to instruct the United States Information Agency to take steps to overcome Castro's jamming of the radio transmissions. I would hope that a more vigorous broadcasting effort would have widespread bipartisan support.

Finally, I would urge Congress, the President, and the American people to listen to the pleas of the men and women in Cuba who confront the repression of Castro's thugs every day. One such man is Gustavo Arcos who fought at Fidel

Castro's side against the previous dictatorship. After the revolutionary victory he became Cuba's Ambassador to Belgium, but like many early supporters of the revolution, he became a political prisoner due to his democratic ideals. Ambassador Arcos is the Secretary General of the Havana-based Cuban Committee for Human Rights. I have made available to the Committee a partial list of more than one thousand Cuban political prisoners prepared by Mr. Arcos and other human rights activists earlier this year. Mr. Arcos and others like him call on the outside world to follow the course taken in the case of South Africa to force a democratic outcome. We are fortunate to have a brief video statement by Mr. Arcos in Havana. Thank you very much.

**JUAN ARMANDO MONTES, COLONEL, (RETIRED), 262-70-6738  
US ARMY SPECIAL FORCES & FOREIGN AREA OFFICER (FAO), LATIN AMERICA,  
PRESIDENT OF THE CUBAN AMERICAN VETERANS ASSN (CAVA)  
MEMBER OF THE CUBAN UNITY BROAD OPPOSITION FRONT.**

I want to thank God for granting me this great opportunity and to members of the Subcommittee for allowing me to speak to you on Cuba, my place of birth. I was the first Cuban-American soldier to join the US Army under the late President John F. Kennedy's Program, "Cubans in the US Armed Forces". The program was enacted in 1961, shortly after the failure of the Bay of Pigs Invasion.

I am a member of the Cuban American Veterans Association (CAVA), an organization which represents more than 30,000 Cuban-Americans who served throughout wars and conflicts in which the United States was involved. Finally, I am here as a member of the "Cuban Unity".

No other former Soviet satellite nation has been as widely involved in terrorism and subversion as Cuba. It has been threatening world peace and stability in this hemisphere, since Castro's takeover of power in 1959. Castro has held power longer than any other dictator in the world.

The motivating factors behind Cuba's international meddling and wars of "National Liberation" have been the subject of controversy and interpretation by analysts and historians for decades. What is certain, is that Castro is an absolute ruler without any intention to abandon power or alter his political objectives. He will only make cosmetic economic changes and minor political adjustments following Communist China's model in an effort to prolong his stay in power.

Today the Cuban ruling elite pursue their political goals and military strategy by raping the failing Cuban economy and at the expense of the enslaved Cuban people. Additionally they receive economic and military aid from Russia, including the equivalent of \$200,000,000 in support of the highly sophisticated intelligence collection facility at Lourdes, near Havana. They also receive benefits from their relationship with Mexico, Japan, Israel, Canada, Spain, France, Panama, Colombia and other former Soviet bloc countries that maintain diplomatic and economic relations with Cuba.

In spite of the crumbling communist economy in Cuba and the continued logistical and structural problems facing the country, exacerbated by the shortages of petroleum, oil and derivatives, it is important to recognize that the Cuban Armed Forces strategic capabilities and remains formidable.

Even a small military force strategically positioned as those in Cuba 90 to 150 miles from our shores and in close proximity to the Americas, would be capable of interdicting the sea locks of communications (SLOCS) and choke points in the Caribbean Sea, the Gulf of Mexico and the approaches to the Panama Canal vital to our shipping lanes.



The Caribbean states provide 80 percent of America's aluminum, and approximately 75 percent of our strategic materials for our industries and defense which also pass through these SLOCs. Access to the Panama Canal remains both a military and economic necessity -- not only for incoming goods, but also in order to resupply and reinforce Central European and Middle East forces in case of a major confrontation. In addition 75 percent of our military strategic response must originate from the Gulf coast, including the use of the Panama Canal.

The strategic capability of interdiction by the Ministry of the Armed Forces (MINFAR) is real and continues to pose a threat to all the air and maritime shipments in the Caribbean sea and the Florida straits, where 65 percent of all the petroleum bound for the United States must transit.

Castro's Armed Forces have the capability to launch a well coordinated surprise attack to any Caribbean neighbor including the Continental United States. Using his small strategic forces he can conduct a brief campaign that will not require continuity of action.

The 250 MiG's, 60 Patrol and Rocket boats Osa and Komar as well as the 2 Foxtrot submarines, 2 Koni frigates and the radar system surrounding Cuba have a demonstrated combat capability. The possibility certainly exists for the air and naval forces, the special forces and amphibious forces to rapidly deploy and attack stationary targets or targets of opportunity such as Turkey Point Nuclear Power Plant and other nuclear power plants in Florida.

A CINCLANT Strategy study determined that as many as eleven land based air squadrons, composed of 24 tactical aircraft each, and two carrier battle groups might be required in the event of a crisis to neutralize Cuba's offensive interdiction capability.

The ability of Cuba to operate politically and diplomatically on foreign soil give an appearance of legitimacy and legality to its activities in international forums. Castro avails himself of these opportunities to network with democratically elected leaders. By means of threat, intimidation, subterfuge, money, drugs or terrorism he furthers his goals and objectives on an international basis. The Department of the Americas is the entity which carries out "special operations" to compromise leaders, diplomats, businessmen and financiers from other countries so they will vote in favor of Cuba at elections by the Organization of American States, the United Nations or commercial/financial institutions. If Castro cannot attain what he desires legally or diplomatically, he reverts to "special measures".

It is imperative that the Castro threat be understood. Today the Government of Cuba (GOC) is not capable to conduct the exportation of violence, terrorism and subversion in the same intensity and continuity as in the past when the Soviets subsidized these operations in the Third World, with billions of dollars. The GOC is now more selective in targeting countries like Mexico with huge oil reserves in the Chiapas region where the Sub-commandant Marcos and the Ejercito Zapatista launched guerrilla warfare operations.

Cuba has planted the seeds of terrorism and revolution throughout the Caribbean, Mexico and the Americas. The Cuban DGI, Directorate General of Intelligence has become one of the most sophisticated, agile and effective espionage apparatus in the world. DGI operatives act with impunity in the United States, Canada, Mexico, and other countries using diplomatic and different covers to mask their subversive activities.

Cuba's armed forces in general, and specific military units in particular have received intensive training in chemical, nuclear and biological warfare. An officer from Castro's army who arrived in the United States via Mariel in 1980 informed us of the training his battalion had received in the use of nuclear, chemical and biological weapons. Of particular interest was his description of teams being trained to infiltrate the United States, poison the water supplies of large cities, and infect rats and other disease carrying animals with deadly diseases such as Anthrax, Yellow Fever, Cholera and others. The goal of course would be to create widespread panic.

Within the realm of chemical and psychological warfare, we can include the subtle yet possibly the most dangerous of Cuba's arsenal: drugs and money laundering. Castro is a principal baron, director, and beneficiary within the drug trade, with the ultimate goal of financing his guerrillas throughout the American continents. He trades drugs for weapons, for money, for political favors and power, to corrupt military officials, politicians, police, judges and anyone else so he can then use them to destroy the very moral fiber of our youth here in America. All of this can be evidenced by the judicial cases against narcotraffickers in the military: General Ochoa of Cuba, and General Noriega of Panama.

Castro, Arafat, Khadafy and Hussein are the four pillars which sustain the net of international terrorism against the world democracies and especially the United States. Cuba has facilitated refuge and protection to guerrillas from terrorist organizations such as Sendero Luminoso, FMLN, FSLN, ETA, FARC, M-19, Montoneros, Tupamaros, Tupac-Amaru, Al-Fatah, Jlsbola, etc. Castro has also provided guerrillas with training camps, military training, weapons, areas for rest and recuperation, as well as hospitals and rehabilitation centers, safehouses and funds for financing their activities.

No one can dispute the poor quality of materials, the lack of technical and professional assistance provided by Russia, the fact that objectivity and basic security is severely lacking at the construction site of the nuclear power plant in Jaragua at Cienfuegos. If we follow closely the events which occurred at Chernobyl and more recently in St. Petersburg, Soviet Union, we quickly realize that the possibility exists for a nuclear disaster which may occur as a result of an accident or through an act of internal terrorism. Given the situation in Cuba, an internal attack is not out of the question. Even though the risk at the nuclear power plant in Cuba is less than that which existed in the two previously mentioned facilities, we still need to be aware of the threat which exists to all cities and populated areas of the Caribbean nations and nations bordering the Gulf of Mexico in the event of a nuclear disaster of unknown proportions.

If Cuba's grave economic situation continues, it could degenerate into social, political or chaos of unmanageable proportions. The ramifications implicate a popular uprising or a military coup. With this in mind, Castro may very well create the conditions for another Mariel, or may open access to Guantanamo Naval Station.

Today Guantanamo Naval Base (GTMO) presents a deplorable situation on the mission, training and combat readiness of USMC troops. The Base is hampered by the presence of 20,000 or more Cubans and Haitians detained against their will in tent cities for an undetermined period of time. These great combat marines and other military personnel are performing a mission not inherent to the defense of the base. Actually, they are being distracted from their real mission; the defense of the base from the Cuban Border Brigade a few yards away from the perimeter fence. There have been indications and allegations of isolated cases of violation of human rights at Gtmo and at the Southern Command Camps in Panama. A new policy should address this sensitive issue that affects the image of the US and our national interest.

Fidel Castro has been in power for over 36 years (the longest reigning military dictator in the Americas). His government and his armed forces represent a real threat to the United States and to this hemisphere. We should be prepared for any contingency which may emanate from Cuba.

In reference to the Cuban Liberty and Democratic Solidarity Act of 1995 and the Economic Embargo of Cuba, the argument that the GOC a constant violator of human rights is nothing more than a minor problem or a nuisance, is a simplistic and erroneous attempt to diminish the realistic threat of the Castro regime, and a more complex, dangerous and potent threat facing the United States and the Americas. This Bill is the necessary instrumentality along with the Senate Bill proposed by Senator Jesse Helm that will facilitate and accelerate Castro's downfall.

The Bill HR 927 contemplates the preparation and transition of the Cuban Armed Forces to a democratic one and their new role in a democracy. The message is very clear to the Cuban Armed Forces as it is proposed in the Bill, aimed at seeking their direct role and involvement in a peaceful transition to Freedom (LIBERTAD) and Democracy for Cuba. This is the first time that the United States Government (USG) propose a clear policy on the Cuban Armed Forces and provides a term of reference to the MINFAR members in a democratic system post-Castro.

The Bill HR 927 contemplates either to return the US Naval Base at Guantanamo, Cuba to the GOC, or to renegotiate the current terms of agreement. These two items in the proposed legislation are legitimate and of great hope for the future of a free and democratic Cuba. Radio and TV Marti, among other Radio Stations from Miami will be capable of providing timely and accurate information on these Bills to the Cuban people and the Cuban Armed Forces.

In closing I will like to add "Cuba must be free from oppression" as "de oppresso liber" motto of the US Special Forces crest reflects on their green berets and uniforms. President Reagan once said: "The national security of all the Americas is at stake in Central America and the Caribbean. If we cannot defend ourselves there, we cannot expect to prevail elsewhere, our credibility would collapse, our alliances would crumble, and the safety of our homeland would be put at jeopardy." Thank you very much.



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March 23, 1995, Thursday, Final Edition

SECTION: A SECTION; Pg. A24

LENGTH: 878 words

HEADLINE: Cuba Becomes Hot Foreign Policy Topic; As Clinton Considers Easing Relations, Senator Seeks Tighter Embargo

BYLINE: Daniel Williams, Washington Post Staff Writer

BODY:

The letter radiated a defiance perfected by decades of fighting the Cold War -- but with a plea that it come to an ~~end~~ -- "Dear Friend," it read. "Let me avail this opportunity to call your attention on the following: Another reckless and irresponsible bill looking to crush and subdue the people of Cuba has been recently introduced.... It is time to change that old failing policy and ease tensions in this side of the planet."

Jose Luis Ponce, a spokesman at the Cuban Interests Section, Havana's quasi-embassy in Washington, wrote the appeal and sent it to reporters, editors and other contacts in late February. He was trying to enlist opposition to a measure proposed by Sen. Jesse Helms (R-N.C.) to tighten the U.S. trade embargo on Cuba. He also was trying to lobby for eased relations with Washington, frozen for the better part of 35 years.

Until recently, such an unusual effort would have seemed utterly futile, a cry into a void. Except for a display of zeal in keeping Cuban refugees out of the country, President Clinton had shown no interest in tinkering with Cuba policy. But Cuba has quickly gone from a virtual non-issue to a hot foreign policy topic debated in the administration and on Capitol Hill. In play are totally opposing views of how to treat Cuba -- through conciliation or through tougher measures.

Clinton is pondering whether to engage Cuba in interlocking steps that could, after 35 years, lead to easing relations. His advisers, notably Undersecretary of State Peter Tarnoff and national security official Morton Halperin, advised him recently to lift some sanctions on the island and to signal a willingness to respond favorably to any progress in Cuba toward developing free markets and democracy. }

The advisers theorize that making an overture to Cuba could stimulate a speedup in reforms that could lead to a liberalization of Cuban society and perhaps to democracy. At a minimum, engagement would give the United States a wedge to influence possible succession to Fidel Castro, or lesser alterations in the government during a time of rapid change on the island.

The administration is split over the wisdom of pursuing accommodation. But no sooner had word spread that Clinton might take a dramatic step than Republicans in Congress, seconded by anti-Castro Democrats, threatened to tighten rather than loosen the embargo. The proponents of the Helms measure say now is not the time to ease up, but rather to squeeze Castro further. They say success of

The Washington Post, March 23, 1995

Cuba's economic liberalization depends on access to the U.S. market, and Castro should be made to pay a price in real democratization before giving up this all-important card.

Helms has flashed his measure on the floor of the Senate. It would seek to deter foreigners from investing in Cuba by barring U.S. loans to such companies and would order the administration to try to extend the trade embargo through the United Nations.

Meanwhile, the House International Relations Western Hemisphere affairs subcommittee said it would investigate companies that have contacted Cuban officials on business opportunities to see whether they had broken the trade embargo.

Clinton, rarely one to take dramatic foreign policy initiatives in the face of domestic opposition, has put the recommendation of his advisers on hold.

"It will take a while before that issue is revived," a White House official said.

American policy is beset by a cruel contradiction. Washington maintains a harsh trade ban on the island, on grounds that Castro is a despot. Yet, the United States has also detained 30,000 Cuban refugees at the U.S.-leased naval base in Guantanamo Bay, Cuba, on grounds that they are not fleeing despotism, but rather economic hardship.

Cuba is an anomaly in the post-Cold War world. The United States has opened contact with all enemies of the era. Even Vietnam, still ruled by the successors of a Communist movement that 58,000 Americans died fighting. Even North Korea, which Americans also died fighting, and arguably the most repressive government on earth.

Castro must be wishing he presided over a larger population, like the 80 million of Vietnam instead of Cuba's impoverished 10 million, that could offer an enticing market for American goods or investment. Or that he had sought to produce an atom bomb, like the one North Korea threatened to build to lure the United States into a dialogue.

Having lost billions of dollars in subsidies from the imploded Soviet Union, Castro is doing what for a Marxist revolutionary was once unthinkable.

He is selling off bits and pieces of Cuba to foreigners and considering letting Cubans form businesses, with rights to hire workers -- and presumably to fire them.

Once a government proud to holler "Yanqui, Go Home," Havana is now welcoming Americans, in imitation of its brethren in Hanoi or Beijing. Ponce alluded in his letter to business benefits for Americans, if only the United States would respond. "The whole world can benefit from the economic changes," he wrote.

Falling back into the familiar rhetoric of the Cold War, Ponce argued that anti-Castro politicians and Cuban Americans are "in a never-ending romance with the devil.... They dream of a bloodbath in Cuba."

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March 15, 1995, Wednesday, Late Edition - Final

SECTION: Section D; Page 2; Column 5; Business/Financial Desk

LENGTH: 804 words

HEADLINE: Business Travel;

As U.S. hotel companies rush to get ready to enter Cuba, Days Inns appears to be a step ahead.

BYLINE: By Edwin McDowell

BODY:

AMERICAN hotel companies have made no secret of their intention to expand into Cuba if and when Washington lifts its economic embargo, but the company that appears positioned to move the quickest boasts neither luxury resorts nor a reputation as a hotel for business travelers. It is Days Inns of America Inc., a chain of 1,600 economy hotels.

"We've identified about 12 properties we consider suitable to carry our banner," said John Russell, president of Days Inns, "and once relations are normalized between the U.S. and Cuba we'd be ready to go."

Without commenting on the fate of President Fidel Castro of Cuba, Mr. Russell predicted that "normalization" would occur "within a year."

In preparation, Days Inns, based in Valhalla, N.Y., recently signed an option agreement with the Realstar Group of Toronto, which has 45 Days Inns franchises in Canada. A subsidiary of Realstar, Delta Hotels and Resorts, manages seven Government-owned properties in Cuba, and Delta officials helped Days Inns find the properties that the American chain considered suitable.

While the option agreement does not specify the countries in which the development will occur, Days Inns has applied to the Treasury Department's Office of Foreign Assets Control for the right to include Cuba in the agreement.

"We're hedging our bets," Mr. Russell said. "While 60 percent of our guests are leisure travelers, in about 500 of our properties at least 65 percent of them are business travelers. So when the surge of American visitors hits Cuba, many businessmen will choose to stay at properties they're familiar with, namely Days Inns."

And when Cuban-Americans return to visit, Mr. Russell added, "if their relatives' houses can't accommodate them, they'll stay with us, because they know us."



MAR 15 1995

## U.S. Department of Justice

## Federal Bureau of Investigation

Office of the Director

Washington, D.C. 20535

March 13, 1995

Honorable Robert Menendez  
House of Representatives  
Washington, D.C. 20515

Dear Congressman Menendez:

I am writing in response to the February 24th letter from you, Senator Dole, Congresswoman Ros-Lehtinen, and Congressman Diaz-Balart requesting information about U.S. fugitives currently believed to be in Cuba.

While I am not in a position to speak for other government agencies, I can tell you that there are approximately 91 FBI substantive and Unlawful Flight to Avoid Prosecution fugitives known or suspected to be in Cuba. These fugitives are wanted for a number of offenses, to include Airplane Hijacking, Crime Aboard an Aircraft, Armed Bank Robbery, Murder, Solicitation to Murder, and Financial Institution Fraud.

Because of the relationship between the United States and Cuba during the past three decades, our attempts to extradite U.S. fugitives from Cuba, to date, have met with a very small measure of success. However, in 1993, the FBI reached out to the Department of Justice and the Department of State in an initiative to implement a dialogue, through the Department of State, with the Government of Cuba to effect the apprehension and extradition of FBI fugitives located in Cuba. At that time, appropriate FBI field offices contacted U.S. Attorneys or state prosecutors to determine if extradition and prosecution were still desirable. Efforts are ongoing between the FBI, the Department of Justice, and the Department of State to open better communication channels between our governments and to develop a process for the extradition of these fugitives from Cuba to the United States. We are currently pursuing efforts with the Cuban Desk, Department of State, for the extradition or rendition of several FBI fugitives.

Our investigations of these fugitives have been and will continue to be coordinated with the appropriate U.S. Attorney's Office, local prosecutors, the Department of Justice's Office of International Affairs, and the Department of State, in accordance with extradition treaty procedures and guidelines.

Please do not hesitate to contact me if you have any further questions in this matter.

Sincerely yours,

  
Louis J. Freeh  
Director

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